UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2023
OR
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to
Commission file number 001-31721

AXIS CAPITAL HOLDINGS LIMITED
(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction of incorporation or organization)
98-0395986
(I.R.S. Employer Identification No.)
92 Pitts Bay Road, Pembroke, Bermuda HM 08
(Address of principal executive offices and zip code)
(441) 496-2600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares, par value $0.0125 per share	AXS	New York Stock Exchange
Depositary shares, each representing a 1/100th interest in a 5.50% Series E preferred share	AXS PRE	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant, computed by reference to the closing price at the last business day of the registrant's most recently completed second fiscal quarter, June 30, 2023, was approximately $4.6 billion.

At February 23, 2024, there were 84,447,014 common shares outstanding, $0.0125 par value per share, of the registrant.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A relating to the annual meeting of shareholders to be held on May 16, 2024 are incorporated by reference in response to items 10, 11, 12, 13 and 14 in Part III of this Form 10-K. The definitive proxy statement will be filed with the Securities and Exchange Commission not later than 120 days after the registrant's fiscal year ended December 31, 2023.

AXIS CAPITAL HOLDINGS LIMITED

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Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K 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 ("U.S.") 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.

Forward-looking statements contained in this report may include, but are not limited to, information regarding our estimates for losses and loss expenses, measurements of potential losses in the fair market value of our investment portfolio and derivative contracts, our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, the outcome of our strategic initiatives including our exit from catastrophe and property reinsurance lines of business, our expectations regarding pricing, and other market and economic conditions including the liquidity of financial markets, developments in the commercial real estate market, inflation, our growth prospects, and valuations of the potential impact of movements in interest rates, credit spreads, equity securities' prices, and foreign currency exchange rates.

Forward-looking statements only reflect our expectations and are not guarantees of performance. These statements involve risks, uncertainties and assumptions. Accordingly, there are or will be important factors that could cause actual events or results to differ materially from those indicated in such statements.

We believe that these factors include, but are not limited to, those described below in *'Summary of Risk Factors'* and in more detail under Item 1A, *'Risk Factors'* of this report, as those factors may be updated from time to time in our periodic and other filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at www.sec.gov.

We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

In this Form 10-K, references to "AXIS Capital" refer to AXIS Capital Holdings Limited and references to "we", "us", "our", "AXIS", the "Group" or the "Company" refer to AXIS Capital Holdings Limited and its direct and indirect subsidiaries and branches.

Summary of Risk Factors

Investing in our common stock involves substantial risks, and our ability to successfully operate our business is subject to numerous risks, including those that are generally associated with operating in the insurance/reinsurance industry. Some of the more significant material challenges and risks include the following:

Insurance Risk

Insurance risk is the inherent uncertainty as to the occurrence, amount and timing of insurance and reinsurance liabilities transferred to us through the underwriting process.

- The insurance and reinsurance business is historically cyclical, and we expect to experience periods with excess underwriting capacity and unfavorable premium rates.
- We may be adversely impacted by a wide variety of natural catastrophes or man-made catastrophes. The incidence and severity of catastrophes are inherently unpredictable, and losses from catastrophes could be substantial. Our exposure to natural catastrophe losses may be increased by climate change, where we may have exposure to physical, transition and liability risks, as well as increasing regulation in the area of climate change. Other man-made catastrophes, such as cyber-attacks, remain relatively new and therefore incorporate high degrees of uncertainty around their impact.
- We may be adversely affected by losses related to Russia's invasion of Ukraine, the Israel-Hamas conflict and the associated conflict in the Red Sea, terrorism and political unrest, or other unanticipated losses.

- We may be adversely impacted by social and economic inflation. Our operations, like those of other insurers and reinsurers, are susceptible to the effects of inflation because premiums are established before the ultimate amounts of losses and loss expenses are known.
- We may be adversely affected by the effects of emerging claims, systemic risks and coverage issues and/or if actual claims exceed our reserves for losses and loss expenses ("loss reserves"). The actual final cost of settling outstanding claims, as well as claims expected to arise from the unexpired period of risk, is uncertain. There are many other factors that would cause loss reserves to increase or decrease, which include, but are not limited to, emerging claims, systemic risks and coverage issues such as changes in claim severity.
- We may be adversely affected by the failure of our loss limitation strategy, including the use of reinsurance.
- We may be adversely affected by the failure of models used to support key decisions.

Strategic Risk

Strategic risks affect or are created by an organization's business strategy and strategic objectives. Our review of strategic risk evaluates not only internal and external challenges that might cause our chosen strategy to fail but also evaluates major risks that could affect our long-term performance and position.

- We may be adversely affected by competition and consolidation in the insurance and reinsurance industry. Increased competition could result in fewer submissions, lower premium rates, less favorable policy terms and conditions, and greater costs of customer acquisition and retention.
- We have been and may continue to be adversely affected by a deterioration in global economic conditions. Economic uncertainty and market turmoil has affected and may in the future affect, among other aspects of our business, the demand for and claims made under our products, the ability of customers, counterparties and others to establish or maintain their relationships with us, our ability to access and efficiently use capital resources and our investment performance.
- We may be adversely affected by changes in the political environment of certain countries in which we operate or underwrite business.
- We may be adversely affected by loss of business provided by a major broker.
- We may be adversely affected by a downgrade in our financial strength or credit rating. If we experience a credit rating downgrade, withdrawal or negative watch/outlook in the future, we could incur higher borrowing costs and may have more limited means to access capital. It could also result in a substantial loss of business for us.
- We may be adversely affected by the increasing scrutiny and evolving expectations from investors, customers, regulators, policymakers and other stakeholders regarding environmental, social and governance matters.

Market Risk

Market risk is the risk that our financial instruments, which include derivatives, may be negatively impacted by movements in financial market prices or rates such as interest rates, credit spreads, equity securities' prices and foreign currency exchange rates.

- Our operating results, investment and derivative instrument portfolios may be adversely impacted by capital markets risk related to changes in interest rates, foreign currency exchange rates, credit spreads, equity securities' prices and other factors.

Liquidity Risk

Liquidity risk is the risk that we may not have sufficient cash to meet our obligations when they are due, or would have to incur excessive costs to do so.

- Our underwriting activities may expose us to liquidity risk. This stems mainly from the need to pay claims on potential extreme loss events and regulatory constraints that limit the flow of funds within the Group.

Credit Risk

Credit risk represents the risk of incurring financial loss due to the diminished creditworthiness (reduced financial strength and, ultimately, possibly default) and concentration of our third-party counterparties.

- We may be adversely impacted if we are unable to collect amounts due to us from our counterparties – most materially reinsurers, but also including brokers, agents and customers.

Operational Risk

Operational risk represents the risk of loss as a result of inadequate processes, system and data security failures, human error or external events, including but not limited to direct or indirect financial loss, reputational damage, customer dissatisfaction, and legal and regulatory penalties.

- We may be adversely impacted by failure of the processes, people or systems that we rely on to maintain our operations and manage the operational risks inherent to our business, including those outsourced to third parties.
- We may be adversely affected by changes in accounting policies or practices.

Regulatory Risk

Regulatory risk represents the risk arising from our failure to comply with legal, statutory or regulatory obligations.

- Our insurance and reinsurance subsidiaries conduct business globally and are subject to varying degrees of regulation, including data protection and privacy laws, in multiple jurisdictions. We may be adversely affected if we inadvertently fail to comply fully with, or obtain exemption from, relevant regulations.

Risks Related to the Ownership of our Securities

- In addition to the risks to our business listed above, there are certain other risks related to the ownership of our securities, for example relating to our holding company structure or provisions in our organizational documents and bye-laws.

Risks Related to Taxation

- We may be adversely impacted by changes in tax rules or changes in the interpretation of existing tax rules in the multiple jurisdictions in which we operate.

Readers should carefully consider the risks noted above together with the risks detailed in Item 1A, *'Risk Factors'* and all of the other information included in this report.

Website and Social Media Disclosure

We use our website (www.axiscapital.com) and our corporate LinkedIn (AXIS Capital) and X Corp. (@AXIS_Capital) accounts as channels of distribution of Company information. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, e-mail alerts and other information about AXIS Capital may be received by those enrolled in our "E-mail Alerts" program, which can be found in the Investor Information section of our website (www.axiscapital.com). The contents of our website and social media channels are not part of this Annual Report on Form 10-K.

PART I

ITEM 1. BUSINESS

In this Form 10-K, references to "AXIS Capital" refer to AXIS Capital Holdings Limited and references to "we", "us", "our", "AXIS", the "Group" or the "Company" refer to AXIS Capital Holdings Limited and its direct and indirect subsidiaries and branches, including: AXIS Specialty Holdings Bermuda Limited, AXIS Specialty Limited ("AXIS Specialty Bermuda"), AXIS Specialty Limited (Singapore Branch), AXIS Specialty Investments Limited, AXIS Specialty Investments II Limited, AXIS Specialty UK Holdings Limited, AXIS Managing Agency Ltd., AXIS Corporate Capital UK Limited (corporate member which provides 70% capital support to AXIS Syndicate 1686 ("Syndicate 1686")), Novae Group Limited, AXIS UK Services Limited, AXIS UK Services Limited (Irish Branch), AXIS Underwriting Limited, AXIS Corporate Capital UK II Limited (corporate member which provides 30% capital support to Syndicate 1686), AXIS ILS, Ltd. (formerly AXIS Ventures Limited ("AXIS Ventures")), AXIS Reinsurance Managers Limited ("AXIS Reinsurance Managers"), AXIS Specialty Holdings Ireland Limited, AXIS Specialty Europe SE ("AXIS Specialty Europe"), AXIS Specialty Europe SE (U.K. Branch), AXIS Specialty Europe SE (Belgium Branch), AXIS Re SE, AXIS Re SE, Dublin (Zurich Branch) ("AXIS Re Europe"), AXIS Re SE Escritório de Representação No Brasil Ltda., AXIS Specialty Global Holdings Limited, AXIS Specialty U.S. Holdings, Inc., AXIS Reinsurance Company ("AXIS Re U.S."), AXIS Reinsurance Company (Canadian Branch), AXIS Specialty U.S. Services, Inc., AXIS Specialty U.S. Services, Inc. (U.K. Branch), AXIS Specialty Canada Services, ULC, AXIS Group Services, Inc., AXIS ILS, Inc. (formerly AXIS Specialty Underwriters, Inc.), AXIS Insurance Company ("AXIS Insurance Co."), AXIS Surplus Insurance Company ("AXIS Surplus"), AXIS Group Benefits LLC (formerly Ternian Insurance Group LLC), AXIS Specialty Insurance Company ("AXIS Specialty U.S."), AXIS Specialty Finance LLC and AXIS Specialty Finance PLC, unless the context suggests otherwise.

Unless otherwise noted, tabular dollars are in thousands. Amounts may not reconcile due to rounding differences.

General

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.

The markets in which we operate have historically been cyclical. During periods of reduced underwriting capacity, pricing and policy terms and conditions are generally more favorable for insurers and reinsurers. Conversely, during periods of excess underwriting capacity, defined by the availability of capital, competition can result in lower pricing and less favorable policy terms and conditions for insurers and reinsurers. Historically, underwriting capacity has been impacted by a range of factors, including systemic risks such as industry losses and catastrophes, as well as changes in legal, regulatory and rating agency guidelines, investment results, and the financial strength and ratings of competitors.

In 2023, we leveraged firming market conditions to grow in a number of attractive specialty lines insurance and treaty reinsurance markets and we continued to re-balance our portfolio towards less volatile lines of business. At December 31, 2023, we had common shareholders’ equity of $4.7 billion, total capital of $6.6 billion and total assets of $30.3 billion.

Our Business Strategy

We are a global specialty underwriter and provider of insurance and reinsurance solutions and are a leader in many of the markets where we choose to compete. 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. We manage our portfolio holistically, aiming to construct the optimum balance of risks, consistent with our risk appetite and the development of our franchise. We nurture an ethical, entrepreneurial, disciplined and diverse culture that promotes outstanding client service, intelligent risk taking, operating efficiency, corporate citizenship and the achievement of superior risk-adjusted returns for our shareholders. We believe that the achievement of our objectives will position us as a global leader in specialty risks, enabling us to deliver sustained profitable growth and increased shareholder value.

We aim to execute on our business strategy through the following multi-pronged approach:

We offer a diversified range of products and services across market segments and geographies: Our position as a global specialty underwriter and provider of insurance and reinsurance solutions gives us insight into the opportunities and challenges in a variety of markets. We are headquartered in Bermuda and have locations in the U.S., Canada and Europe including Dublin, London, Zurich and Brussels. We service the Latin America specialty insurance and facultative reinsurance market through London and our other locations. In addition, we provide specialty insurance and reinsurance solutions to the Asia Pacific region through our London, Zurich and Bermuda offices.

We underwrite a balanced portfolio of risks, including complex and volatile lines, moderating overall volatility with risk limits, diversification and risk management: Risk management is a strategic priority embedded in our organizational structure and we are continuously monitoring, reviewing and refining our enterprise risk management practices. We combine judgment and experience with data-driven analysis, enhancing our overall risk selection process.

We modulate our risk appetite and deployment of capital across the underwriting cycle, commensurate with available market opportunities and returns: In response to market dynamics, we recognize opportunities as they develop and react quickly as new trends emerge. Our risk analytics provide important and continuous feedback, further assisting with the ongoing assessment of our risk appetite and strategic capital deployment. We have been successful in adding new underwriting teams, extending our product lines, finding new distribution channels and entering new geographies. When we do not find sufficiently attractive uses for our capital, we may return excess capital to our shareholders through share repurchases and dividends.

We develop and maintain deep, trusting and mutually beneficial relationships with clients and distribution partners, offering high levels of service and effective solutions for risk management needs: Our management team has extensive industry experience, deep product knowledge, long-standing market relationships and a top caliber claims capability. We primarily transact in specialty markets, where risks are complex, and are also growing our transactional specialty business targeting the lower middle market. We invest in data and technology capabilities and tools to empower our underwriters and enhance the service that we provide to our customers. Our intellectual capital and proven client-service capability attract clients and distribution partners looking for solutions.

We maintain excellent financial strength, characterized by financial discipline and transparency: Our total capital of $6.6 billion at December 31, 2023, as well as our high-quality and liquid investment portfolio and our operating subsidiary ratings of "A+" ("Strong") by Standard & Poor's and "A" ("Excellent") by the A.M. Best Company, Inc. ("A.M. Best") are key indicators of our financial strength.

We attract, develop, retain and motivate teams of experts: We aim to attract and retain top talent in the industry and to motivate our employees to make decisions that are in the best interest of our clients and shareholders. We cultivate a culture that prioritizes ethics, risk awareness and achievement, while also promoting diversity, professionalism, responsibility, integrity, discipline and entrepreneurship. As a result, we believe that our staff is well-positioned to make the best underwriting and strategic decisions for AXIS.

In 2023, our key financial metrics for performance measurement of the Company included operating return on average common equity ("operating ROACE"), which is reconciled to the most comparable GAAP financial measure, return on average common equity ("ROACE"), in Item 7 '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures Reconciliation*', on an annual basis and relative total shareholder return ("TSR") over the long-term. We believe that the successful execution against long-term strategic plans should drive an increase in TSR over the long-term, and that TSR directly correlates to other relevant key performance metrics, including growth in book value per diluted common share adjusted for dividends. Our goal is to deliver sustained profitable growth and increased shareholder value.

Segment Information

Our underwriting operations are organized around our global underwriting platforms, AXIS Insurance and AXIS Re. We have determined that we have two reportable segments, insurance and reinsurance. We do not allocate assets by segment, with the exception of goodwill and intangible assets.

Refer to Item 7 *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* for further details on our reportable segments and Item 8, Note 3 to the Consolidated Financial Statements '*Segment Information*' for further details on our reportable segments and a description of the geographic distribution of gross premiums written based on the location of our subsidiaries.

The table below presents gross premiums written in each of our reportable segments for each of the most recent three years:

Year ended December 31,	2023	2022	2021
Insurance	**$ 6,140,764**	$ 5,585,581	$ 4,863,232
Reinsurance	**2,215,761**	2,629,014	2,822,752
Total	**$ 8,356,525**	$ 8,214,595	$ 7,685,984

Insurance Segment

Lines of Business and Distribution

Our insurance segment offers specialty insurance products to a variety of niche markets on a worldwide basis. The following are the lines of business in our insurance segment:

- *Professional Lines:* provides directors' and officers' liability, errors and omissions liability, employment practices liability, fiduciary liability, crime, professional indemnity, medical malpractice and other financial insurance related covers for public and private commercial enterprises, financial institutions, not-for-profit organizations and other professional service providers. This business is predominantly written on a claims-made basis.
- *Property*: provides physical loss or damage, business interruption and machinery breakdown cover for virtually all types of property, including commercial buildings, residential premises, construction projects, property in transit, onshore renewable energy installations, and physical damage and business interruption following an act of terrorism. This line of business includes primary and excess risks, some of which are catastrophe-exposed.
- *Liability:* provides cover for primary and low to mid-level excess and umbrella commercial liability risks in the U.S. wholesale markets in addition to primary and excess of loss employers, public, and products liability business predominately in the U.K. Target industry sectors include construction, manufacturing, transportation and trucking, and other services.
- *Cyber*: provides cover for cyber, technology errors and omissions, media and miscellaneous professional liability. Cover is provided for a range of risks including data recovery and bricking, cyber-crime, liability and regulatory actions, business interruption, extortion, reputational harm, Payment Card Industry Data Security Standard and media liability.
- *Marine and Aviation*: Marine provides cover for a range of exposures including offshore energy, renewable offshore energy, cargo, liability including kidnap and ransom, fine art, specie, and hull war. Offshore energy coverages include physical damage, business interruption, operator's extra expense and liability coverage for all aspects of offshore upstream energy from exploration and construction through the operation and distribution phases. Aviation provides hull and liability, and specific war cover primarily for passenger airlines but also for cargo operations, general aviation operations, airports, aviation authorities, security firms and product manufacturers.
- *Accident and Health:* includes personal accident, travel insurance and specialty health products for employer and affinity groups, and pet insurance.
- *Credit and Political Risk:* provides credit and political risk insurance products for banks, commodity traders, corporations and multilateral and export credit agencies. Cover is provided for a range of risks including sovereign and corporate credit default, political violence, currency inconvertibility and non-transfer, expropriation, aircraft non-repossession and contract frustration due to political events.

We produce business primarily through wholesale and retail brokers worldwide. Some of our insurance products are also distributed through managing general agents ("MGAs") and managing general underwriters ("MGUs"). In the U.S., we have the ability to write business on an admitted basis using forms and rates filed with state insurance regulators and on a non-admitted or surplus lines basis, which provides flexibility in forms and rates, as these are not filed with state regulators. Our ability to write business on a non-admitted basis in the U.S. provides us with the pricing flexibility needed to write non-standard coverages. Substantially all of our insurance business is subject to aggregate limits, in addition to event limits.

Gross premiums written by broker, shown individually where premiums by broker were 10% or more of the total in any of the last three years, were as follows:

Years ended December 31,		**2023**			2022			2021	
AmWINS Group Inc.	**$**	**719,651**	**12 %**	$	605,727	11 %	$	491,690	10 %
Aon plc		**677,930**	**11 %**		697,103	12 %		621,879	13 %
Marsh & McLennan Companies Inc.		**610,186**	**10 %**		630,085	11 %		548,964	11 %
Other brokers		**3,042,085**	**49 %**		2,746,828	50 %		2,423,379	50 %
Managing general agencies and underwriters		**1,090,912**	**18 %**		905,838	16 %		777,320	16 %
Total	**$**	**6,140,764**	**100 %**	$	5,585,581	100 %	$	4,863,232	100 %

No insured accounted for more than 10% of the gross premiums written in the insurance segment.

Competitive Environment

In our insurance segment, where competition is focused on price, service, availability of capacity, appetite and distribution, among other considerations, we compete globally and locally with North American and other carriers. We believe we can achieve positive differentiation through underwriting expertise in our chosen lines of business and market segments, providing customized solutions for our strategic partners and top caliber claims service levels to our customers. In addition, our investment in building an agile business model is expected to enable us to more quickly bring innovative products and services to market while delivering value to our customers and driving profitable growth.

Reinsurance Segment

Lines of Business and Distribution

Our reinsurance segment provides treaty reinsurance to insurance companies on a worldwide basis, written on an excess of loss or a proportional basis. For excess of loss business, we typically indemnify the reinsured for a portion of losses, individually and in the aggregate, in excess of a specified individual or aggregate loss deductible. For proportional business, we assume an agreed percentage of the underlying premiums and accept liability for the same percentage of losses and loss expenses. Our business is primarily produced through reinsurance brokers worldwide. The following are the lines of business in our reinsurance segment:

- *Liability:* provides protection to insurers of admitted casualty business, excess and surplus lines casualty business and specialty casualty programs. The primary focus of the underlying business is general liability, workers' compensation, auto liability, and excess casualty.
- *Accident and Health:* includes personal accident, specialty health, accidental death, travel, life and disability reinsurance products which are offered on a proportional and catastrophic or per life excess of loss basis.
- *Professional Lines:* provides protection for directors’ and officers’ liability, employment practices liability, medical malpractice, professional indemnity, environmental liability, cyber, and miscellaneous errors and omissions insurance risks. The underlying business is predominantly written on a claims-made basis. This business is written on a proportional and excess of loss basis.
- *Credit and Surety:* Credit reinsurance provides reinsurance of trade credit insurance products and includes proportional and excess of loss structures. The underlying insurance indemnifies sellers of goods and services in the event of a payment default by the buyer of those goods and services. Surety reinsurance provides protection for losses arising from a broad array of surety bonds issued by insurers to satisfy regulatory demands or contract obligations in a variety of jurisdictions around the world. Mortgage reinsurance is provided to mortgage guaranty insurers and U.S. government-sponsored entities for losses related to credit risk transfer into the private sector.

- *Motor:* provides protection to insurers for motor liability and property damage losses arising out of any one occurrence. A loss occurrence can involve one or many claimants where the ceding insurer aggregates the claims from the occurrence. Traditional proportional and non-proportional reinsurance as well as structured solutions are offered.
- *Agriculture:* provides protection for risks associated with the production of food and fiber on a global basis for primary insurance companies writing multi-peril crop insurance, crop hail, and named peril covers, as well as custom risk transfer mechanisms for agricultural dependent industries with exposures to crop yield and/or price deviations. This business is written on a proportional and aggregate stop loss reinsurance basis.
- *Marine and Aviation:* Marine includes specialty marine exposures such as cargo, hull, pleasure craft, marine liability, inland marine and offshore energy. The principal perils covered by policies in this portfolio include physical loss, damage and/or liability arising from natural perils of the seas or land, man-made events including fire and explosion, stranding/sinking/salvage, pollution, shipowners and maritime employers liability. This business is written on a non-proportional and proportional basis. Aviation provides cover for airline, aerospace and general aviation exposures. This business is written on a proportional and non-proportional basis. The Company exited Aviation business effective January 1, 2023.

Run-off lines

- *Catastrophe:* provides protection for most catastrophic losses that are covered in the underlying insurance policies written by our cedants. The underlying policies principally cover property-related exposures but other exposures including personal accident are also covered. The principal perils covered by policies in this portfolio include hurricane and windstorm, earthquake, flood, tornado, hail and fire. In some instances, terrorism may be a covered peril or the only peril. This business is written on a proportional and an excess of loss basis. The Company exited this line of business in June 2022.
- *Property:* provides protection for property damage and related losses resulting from natural and man-made perils that are covered in the underlying personal and commercial lines insurance policies written by our cedants. The predominant exposure is to property damage, but other risks, including business interruption and other non-property losses, may also be covered when arising from a covered peril. The most significant perils covered by policies in this portfolio include windstorm, tornado and earthquake, but other perils such as freezes, riots, flood, industrial explosions, fire, hail and a number of other loss events are also included. This business is written on a proportional and excess of loss basis. The Company exited this line of business in June 2022.
- *Engineering:* provides protection for all types of construction risks and risks associated with erection, testing and commissioning of machinery and plants during the construction stage. This line of business also includes cover for losses arising from operational failures of machinery, plant and equipment, and electronic equipment as well as business interruption. The Company exited this line of business in 2020.

Gross premiums written by broker, shown individually where premiums by broker were 10% or more of the total in any of the last three years, were as follows:

Years ended December 31,		**2023**			2022			2021	
Aon plc	**$**	**595,587**	**27 %**	$	659,811	25 %	$	716,585	25 %
Marsh & McLennan Companies Inc.		**594,287**	**27 %**		739,380	28 %		858,049	30 %
Arthur J. Gallagher & Co		**398,093**	**18 %**		379,822	14 %		164,678	6 %
Willis Tower Watson PLC		**—**	**— %**		—	— %		367,973	13 %
Other brokers		**343,130**	**16 %**		231,200	9 %		350,058	13 %
Direct		**163,073**	**7 %**		444,930	17 %		187,583	7 %
Managing general agencies and underwriters		**121,591**	**5 %**		173,871	7 %		177,826	6 %
Total	**$**	**2,215,761**	**100 %**	$	2,629,014	100 %	$	2,822,752	100 %

(1) Effective December 1, 2021, Arthur J. Gallagher & Co. completed the acquisition of substantially all of the treaty reinsurance brokerage operations from Willis Towers Watson plc. and the combined businesses commenced trading as Gallagher Re. The above table includes gross premiums written by Willis Towers Watson plc. for the eleven-month period ended November 30, 2021.

No cedant accounted for more than 10% of the gross premiums written in the reinsurance segment.

Competitive Environment

In our reinsurance segment, competition tends to be focused on availability, service, financial strength and price. We compete with major North American and other reinsurers and reinsurance departments of numerous multi-line insurance organizations. In addition to traditional market participants, we also compete with new market entrants supported by alternative capital sources offering risk transfer solutions on a collateralized or other non-traditional basis. Our clients may also acquire reinsurance protection through capital market products such as catastrophe bonds and insurance loss warranties. We believe that we achieve a competitive advantage through our diversified global product offerings, responsiveness to customer needs and ability to provide sophisticated and innovative products. We offer excellent claims management, strong financial strength ratings and an ability to leverage our balance sheet and relationships with strategic capital partners to provide strong capacity.

Cash and Investments

We seek to balance the investment portfolio's objectives of increasing book value with the generation of relatively stable investment income, while providing sufficient liquidity to meet our claims and other obligations. Liquidity needs arising from potential claims are of primary importance and are considered in asset class participation and the asset allocation process. A significant portion of our investment portfolio is dedicated to investment grade fixed maturities that will generate cash flows that match expected claim payouts.

To diversify risk and optimize the growth in book value, we may invest in other asset classes such as equity securities, high yield securities and alternative investments (e.g., private equity funds), which provide higher potential total rates of return. These individual investment classes involve varying degrees of risk, including the potential for more volatile returns and reduced liquidity. However, as part of a balanced portfolio, they also provide diversification from interest rate and credit risk.

With regard to our investment portfolio, we primarily utilize third-party investment managers for security selection and trade execution functions, subject to guidelines and objectives for each asset class. This enables us to actively manage our investment portfolio with access to top performers specializing in various products and markets. We select managers based on various criteria including investment style, performance history and corporate governance. In addition, we monitor approved investment asset classes for each subsidiary through analysis of our operating environment, including expected volatility of cash flows, overall capital position, regulatory and rating agency considerations. The Finance Committee of our Board of Directors approves overall group asset allocation targets and investment policy to ensure that they are consistent with our overall goals, strategies and objectives. We also have an Investment and Finance Committee, comprised of members of our senior management team, which oversees the implementation of our investment strategy.

Refer to Item 7 '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash and Investments'* and Item 8, Note 5 to the Consolidated Financial Statements '*Investments'* for further details on our investment portfolio.

Refer to '*Risk and Capital Management'* for further details on management of investment risk.

REGULATION

General

Our insurance and reinsurance entities are regulated in most countries, although the degree and type of regulation varies significantly from one jurisdiction to another. We may become subject to regulation in new jurisdictions or to additional regulations in existing jurisdictions. To the extent we are aware of impending changes in regulation, our project teams prepare us to comply with such anticipated changes on a timely basis. The following describes the current material regulations under which the Company operates.

Bermuda

Our Bermuda insurance operating subsidiary, AXIS Specialty Bermuda, is a Class 4 general business insurer subject to the Insurance Act 1978 of Bermuda and related regulations, as amended ("Insurance Act"). The Insurance Act provides that no person may carry on any insurance or reinsurance business in or from within Bermuda unless registered as an insurer by the Bermuda Monetary Authority ("BMA") under the Insurance Act. The Insurance Act imposes upon Bermuda insurance companies' solvency and liquidity standards, and auditing and reporting requirements, and grants the BMA powers to supervise, investigate, require information and demand the production of documents and intervene in the affairs of insurance companies.

Significant requirements pertaining to Class 4 insurers include the appointment of an independent auditor, the appointment of a loss reserve specialist, the appointment of a principal representative in Bermuda, the filing of annual Statutory Financial Returns together with annual GAAP financial statements and an annual Capital and Solvency Return, compliance with minimum and enhanced capital requirements, together with certain restrictions on reductions of capital and the payment of dividends and distributions as well as group solvency and supervision rules, if applicable, and compliance with the Insurance Code of Conduct.

Effective January 1, 2016, the BMA was granted full "equivalence" under Solvency II (refer to '*Ireland*' below) for Bermuda's commercial insurance sector, including Class 4 insurers.

The BMA acts as group supervisor of AXIS Capital and has designated AXIS Specialty Bermuda as the 'designated insurer' of the Group. In accordance with the group supervision and insurance group solvency rules, AXIS Capital is required to prepare and submit an annual group Statutory Financial Return, annual audited group GAAP financial statements, an annual group Capital and Solvency Return and quarterly group unaudited GAAP financial statements, and to appoint a group actuary and a group auditor. AXIS Capital also files an annual capital and solvency return and must ensure compliance with minimum and enhanced capital requirements.

On July 30, 2018, the Insurance Amendment (No. 2) Act 2018 amended the Insurance Act to provide for the prior payment of policyholders' liabilities ahead of general unsecured creditors in the event of the liquidation or winding up of an insurer. Effective January 1, 2019, this amendment applies to general business insurers and provides that, subject to certain statutorily preferred debts, the insurance debts of an insurer must be paid in priority to all other unsecured debts of the insurer. Insurance debt is defined as a debt to which an insurer is or may become liable pursuant to an insurance contract, excluding debts owed to an insurer under an insurance contract where the insurer is the person insured.

In December 2018, Bermuda enacted the Economic Substance Act 2018 (as amended) of Bermuda and its related regulations (together, the "ES Act"). The ES Act came into force on December 31, 2018, and requires resident registered entities that carry on as a business any one or more of the "relevant activities" referred to in the ES Act to comply with economic substance requirements. The list of "relevant activities" includes carrying on as a business any one or more of the following activities: banking, insurance, fund management, financing and leasing, headquarters, shipping, distribution and service center, intellectual property, and holding entity. Under the ES Act, if a company is engaged in one or more "relevant activities" as a business, it is required to maintain a substantial economic presence in Bermuda and to comply with the economic substance requirements set forth in the ES Act.

In October 2020, the BMA established the Insurance Sector Operational Cyber Risk Management Code of Conduct. All Bermuda insurers, insurance managers and insurance intermediaries registered under the Insurance Act are required to comply with the BMA's Insurance Sector Operational Cyber Risk Management Code of Conduct, which established duties, requirements and standards in relation to operational cyber risk management.

In August 2022, the BMA published a revised version of the Insurance Code of Conduct ("Insurance Code"). Overall, the amendments aim to improve and enhance the Insurance Code and its application, while at the same time incorporating various administrative changes. The most substantive changes to the Insurance Code relate to:

(i) Corporate Governance, including a new requirement that the board of directors of an insurer that is a subsidiary of a Bermuda registered insurance group, such as AXIS Specialty Bermuda, must have an appropriate number of non-executive directors;

(ii) Risk Management Framework, including the addition of a definition of "Environment, Social and Governance Risk"; and

(iii) Outsourcing, including enhanced requirements for material outsourcing arrangements.

The Insurance Code, as amended, came into force on September 1, 2022. Bermuda insurers and insurance groups were required to be compliant with sections 1 through 7 of the Insurance Code by September 1, 2023 and applicable parts of section 8 of the Insurance Code by March 1, 2023.

AXIS Reinsurance Managers is regulated by the BMA as an insurance manager. As an insurance manager, AXIS Reinsurance Managers is required to register with the BMA pursuant to the Insurance Act. AXIS Reinsurance Managers is also required to comply with the Insurance Manager Code of Conduct.

AXIS Capital, AXIS Specialty Bermuda, AXIS Specialty Holdings Bermuda Limited, AXIS Specialty Investments Limited, AXIS ILS Ltd., AXIS Specialty Investments II Limited and AXIS Reinsurance Managers must comply with provisions of the Bermuda Companies Act 1981 of Bermuda, as amended ("Companies Act"), regulating the payment of dividends and distributions. A Bermuda company may not declare or pay a dividend or make a distribution out of contributed surplus if there are reasonable grounds for believing that:

(a) the company is, or would after the payment be, unable to pay its liabilities as they become due; or

(b) the realizable value of the company’s assets would thereby be less than its liabilities.

The Singapore branch of AXIS Specialty Bermuda, AXIS Specialty Limited (Singapore Branch), established in 2008, is regulated by the Monetary Authority of Singapore ("MAS") pursuant to The Insurance Act of Singapore, which imposes significant regulations relating to capital adequacy, risk management, governance, audit and actuarial requirements. AXIS Specialty Limited (Singapore Branch) is registered by the Accounting and Corporate Regulatory Authority ("ACRA") as a foreign company in Singapore and is also regulated by ACRA pursuant to the Singapore Companies Act. Prior to establishing its Singapore branch, AXIS Specialty Bermuda had maintained a representative office in Singapore since 2004. AXIS Specialty Bermuda ceased writing new business through its branch in Singapore, effective January 1, 2024, and plans to close this branch, subject to meeting all regulatory and legal requirements.

AXIS Specialty Bermuda has reinsurance permissions in China and the Netherlands. AXIS Specialty Limited (Singapore Branch) has separate reinsurance permissions in China.

AXIS Re SE may write reinsurance in Bermuda under Solvency II equivalence between Bermuda and the European Union ("E.U.").

AXIS Managing Agency Ltd. may write general insurance and reinsurance in Bermuda using Lloyd's of London ("Lloyd's") licenses (refer to '*U.K. and Lloyd's of London'* below).

United States

U.S. Insurance Holding Company Regulation of AXIS Capital’s Insurance Subsidiaries

As members of an insurance holding company system, each of AXIS Insurance Co., AXIS Re U.S., AXIS Specialty U.S. and AXIS Surplus (collectively the "U.S. Insurance Subsidiaries") are subject to the insurance holding company laws and regulations of the states in which they do business. These laws generally require each of the U.S. Insurance Subsidiaries to register with its domestic state insurance department and to furnish financial and other information which may materially affect the operations, management or financial condition within the holding company system. All transactions within a holding company system that involve an insurance company must be fair and equitable. Notice to the applicable insurance department is required prior to the consummation of transactions affecting the ownership or control of an insurer and of certain material transactions between an insurer and an entity in its holding company system, and certain transactions may not be consummated without the department’s prior approval.

State Insurance Regulation

AXIS Re U.S. is licensed to transact insurance and reinsurance throughout the U.S. and in Puerto Rico. AXIS Re U.S. is also authorized to transact insurance and reinsurance throughout Canada through its Canadian branch and has reinsurance permissions in Argentina, Brazil, Colombia, Ecuador, Guam, Guatemala, Panama and Mexico. AXIS Insurance Co. is licensed to transact insurance and reinsurance throughout the U.S. AXIS Specialty U.S. is licensed to transact insurance and reinsurance throughout the U.S., except California, Iowa, Maine, New Mexico, New York and Wyoming. AXIS Surplus is eligible to write insurance on a surplus lines basis throughout the U.S., Puerto Rico and the U.S. Virgin Islands.

Our U.S. Insurance Subsidiaries are subject to regulation and supervision by their respective states of domicile and by other jurisdictions in which they do business. The regulations generally are derived from statutes that delegate regulatory and supervisory powers to an insurance official. The regulatory framework varies from state to state, but generally relates to approval of policy forms and rates, the standards of solvency that must be met and maintained, including risk-based capital standards, material transactions between an insurer and its affiliates, the licensing of insurers, agents and brokers, restrictions on insurance policy terminations, and limitations on the amount and nature of certain investments, limitations on the net amount of insurance of a single risk compared to the insurer's surplus, deposits of securities for the benefit of policyholders, methods of accounting, periodic examinations of the financial condition and market conduct of insurance companies, the form and content of reports of financial condition required to be filed, and reserves for unearned premiums, losses, expenses and other obligations.

Our U.S. Insurance Subsidiaries are required to file detailed quarterly statutory financial statements with state insurance regulators in each of the states in which they conduct business. In addition, the U.S. Insurance Subsidiaries' operations and accounts are subject to financial condition and market conduct examination at regular intervals by state regulators.

Regulators and rating agencies use statutory surplus as a measure to assess our U.S. Insurance Subsidiaries' ability to support business operations and pay dividends. Our U.S. Insurance Subsidiaries are subject to various state statutory and regulatory restrictions that limit the amount of dividends that may be paid from earned surplus without prior approval from regulatory authorities. These restrictions differ by state, but generally are based on calculations using statutory surplus, statutory net income and investment income. In addition, many state regulators use the National Association of Insurance Commissioners promulgated risk-based capital requirements as a means of identifying insurance companies that may be under-capitalized.

Although generally the insurance industry is not directly regulated by the federal government, federal legislation and initiatives can affect the industry and our business. Certain sections of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank") pertain to the regulation and business of insurance. Specifically, the Federal Insurance Office ("FIO") has limited authority to collect information and report on the business of insurance to Congress. In addition, Dodd-Frank contains the Non-Admitted and Reinsurance Reform Act of 2010 ("NRRA"). NRRA attempts to coordinate the payment of surplus lines taxes, simplify the granting of alien insurers to become surplus lines authorized and coordinate the credit for certain reinsurance. The Company continues to monitor the implementation of Dodd-Frank.

AXIS Group Benefits LLC, a leading provider of voluntary, limited benefit, affordable health plans and other employee benefits coverage for hourly and part-time workers and their families, is an authorized insurance producer in all U.S. states except Hawaii. As a resident insurance producer in Arizona, AXIS Group Benefits LLC is subject to regulation and supervision by the Arizona Department of Insurance and is also subject to the regulation and supervision of the other states in which AXIS Group Benefits LLC transacts business.

AXIS ILS, Inc. is a marketing services company for insurance linked securities sponsored by the Company. AXIS Specialty Underwriters, Inc. was a Florida licensed reinsurance intermediary. Following the closure of our Florida office in 2021, AXIS Specialty Underwriters' coverholder agreement with Syndicate 1686 was terminated, effective December 31, 2021. All regulatory licenses in Florida for AXIS Specialty Underwriters, Inc. were terminated in 2022, however, the entity remained registered in Delaware and was renamed AXIS ILS, Inc.

U.S. Authorizations of our Non-U.S. Insurance Subsidiaries

The insurance laws of each U.S. state regulate or prohibit the sale of insurance and reinsurance by insurers and reinsurers that are not admitted to do business within their jurisdictions or otherwise conduct business pursuant to exemptions. AXIS Specialty Europe is eligible to write surplus lines business throughout the U.S. and in Puerto Rico. AXIS Managing Agency Ltd. is eligible to use Lloyd's licenses to (i) write surplus lines business throughout the U.S. and in all U.S. territories, and (ii) write non-life reinsurance business throughout the U.S. and in all U.S. territories, except for accident and health reinsurance in New York.

In addition to the regulatory requirements imposed by the jurisdictions in which they are licensed, reinsurers' business operations are affected by regulatory requirements in various states of the U.S. governing "credit for reinsurance" that are imposed on their ceding companies. In general, a ceding company obtaining reinsurance from a reinsurer that is licensed or approved by the jurisdiction or state in which the ceding company files statutory financial statements is permitted to reflect in its statutory financial statements a credit in an aggregate amount equal to the ceding company's liability for unearned premiums (which is that portion of premiums written which applies to the unexpired portion of the policy period), loss reserves and loss expense reserves ceded to the reinsurer. The great majority of states, however, permit a credit to statutory surplus to be recognized resulting from reinsurance obtained from a non-licensed or non-accredited reinsurer to the extent that the reinsurer provides a letter of credit, trust fund or other acceptable security arrangement. A few states do not allow credit for reinsurance ceded to non-licensed reinsurers except in certain limited circumstances, and others impose additional requirements that make it difficult to become accredited. In connection with the establishment of a Multi-Beneficiary Reinsurance Trust, AXIS Specialty Bermuda obtained accredited or trusted reinsurer status in all U.S. jurisdictions except for New York.

During 2022, AXIS Specialty Bermuda obtained reciprocal jurisdiction reinsurer status with Missouri as its lead state. Reinsurers licensed in reciprocal jurisdictions (which include E.U. member states, Bermuda, Japan and Switzerland) are not required to post reinsurance collateral if approved as reciprocal jurisdiction reinsurers. With its approval from Missouri, AXIS Specialty Bermuda applied for and received passporting approvals from California, Connecticut, Delaware, Florida, Illinois, New York, Ohio, Rhode Island, and Texas. "Passporting" refers to the process by which a state has the discretion to defer to the determination by another state that a reinsurer is a reciprocal jurisdiction reinsurer, thereby excusing the approved reinsurer from collateral requirements in such state.

Ireland

Our Ireland domiciled insurer and reinsurer are subject to the Solvency II Directive (Directive 2009/138/EC), as amended ("Solvency II"). Solvency II represents a consolidation and modernization of existing European Commission Solvency I insurance and reinsurance regulation and supervision and includes a harmonized risk-based solvency and reporting regime for the insurance/reinsurance sector. Solvency II covers three main areas: (i) the valuation of assets and liabilities and related solvency capital requirements; (ii) governance requirements including key functions of compliance, internal audit, actuarial and risk management; and (iii) legal entity and E.U. group reporting and disclosure requirements including public disclosures. The capital requirement must be computed using the Solvency II standard formula unless the Central Bank of Ireland ("CBI") has previously authorized a company to use its own internal model. Certain of our European legal entities are subject to Solvency II.

AXIS Specialty Europe

AXIS Specialty Europe is a European public limited liability company incorporated as a non-life insurer under the laws of Ireland. It is a Societas Europaea (SE), or European society company, and has been registered in accordance with E.U. law. As an SE company, AXIS Specialty Europe can more easily merge with companies in European member states and also transfer its domicile to other Member States of the E.U. AXIS Specialty Europe is authorized and regulated by the CBI pursuant to the Insurance Acts 1909 to 2000, as amended, repealed or replaced, the Central Bank Acts 1942 to 2014, as amended, repealed or replaced, and E.U. regulation relating to general insurance and statutory instruments made thereunder. AXIS Specialty Europe is authorized to conduct business in 16 non-life insurance classes throughout the E.U. and the European Economic Area ("EEA"), which includes each of the Member States of the E.U. with the addition of Iceland, Liechtenstein and Norway. AXIS Specialty Europe may also write reinsurance business within the classes of insurance business for which it is authorized.

AXIS Specialty Europe is subject to Solvency II. In accordance with Solvency II, AXIS Specialty Europe is permitted to provide insurance services to clients located in any EEA Member State ("Freedom of Services"), subject to compliance with any "general good requirements" as may be established by the applicable EEA Member State regulator. AXIS Specialty Europe has notified the CBI of its intention to provide insurance services on a Freedom of Services basis in all EEA countries.

Solvency II also permits AXIS Specialty Europe to carry on insurance business in any EEA Member State under the principle of "Freedom of Establishment" subject to the prior approval of the CBI. AXIS Specialty Europe operates under Freedom of Establishment in Belgium through its branch established in this jurisdiction.

AXIS Specialty Europe also has a U.K. branch that transacts general insurance business in the U.K. and trades as AXIS Specialty London. The U.K. withdrew from the E.U. on January 31, 2020 and is now considered a third-country. In order to maintain business continuity, AXIS Specialty Europe submitted an application to the Prudential Regulatory Authority ("PRA") in 2018 for authorization of a third-country branch. This application was approved on October 28, 2022, and the UK Branch of AXIS Specialty Europe is now fully regulated by both the PRA and the Financial Conduct Authority ("FCA").

AXIS Specialty Europe has local regulatory permission to carry on insurance business in Jersey, and has permission to write surplus lines business in all 50 U.S. states, Puerto Rico, and Washington D.C. It also has reinsurance permissions in India, China, Argentina, Mexico, Panama, Paraguay, Honduras, Ecuador, Colombia and Guatemala.

AXIS Re SE

AXIS Re SE is a European public limited liability company incorporated as a reinsurer under the laws of Ireland. AXIS Re SE is also a Societas Europaea (SE), or European society company, registered in accordance with E.U. law. AXIS Re SE is authorized by the CBI as a composite reinsurer (non-life and life) in accordance with the Insurance Acts 1909 to 2000, as amended, repealed or replaced, the Central Bank Acts 1942 to 2014, as amended, repealed or replaced, and E.U. regulation applicable to reinsurance and statutory instruments made thereunder. AXIS Re SE is authorized to transact reinsurance throughout the E.U. and the EEA and is subject to Solvency II.

AXIS Re SE conducts business through its branch in Zurich, Switzerland, trading as AXIS Re Europe (see '*Switzerland'* below).

AXIS Re SE Escritório de Representação No Brasil Ltda. was established in Brazil as a subsidiary of AXIS Re SE to facilitate the Brazilian Superintendence of Private Insurance ("SUSEP") regulatory requirements for approval of a representative office of AXIS Re SE and for the registration of AXIS Re SE with SUSEP as an admitted reinsurer.
AXIS Re SE has reinsurance permissions in Argentina, Bolivia, Brazil, China, Chile, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, India, Mexico, Nicaragua, Panama, Paraguay, Peru and Venezuela.

AXIS Specialty Holdings Ireland Limited

AXIS Specialty Holdings Ireland Limited is incorporated in Ireland, and is the limited liability holding company for AXIS Specialty Europe, AXIS Re SE, and Contessa Limited.

AXIS Specialty Global Holdings Limited

AXIS Specialty Global Holdings Limited is incorporated in Ireland, and is the limited liability holding company for AXIS Capital's U.S. Insurance subsidiaries.

Other AXIS Entities

AXIS Specialty Bermuda may write reinsurance under Solvency II equivalence granted to Bermuda by the E.U. AXIS Managing Agency Ltd. is eligible to write insurance (except permanent health) and reinsurance business in Ireland through Lloyd's Europe.

U.K. and Lloyd's of London

In the U.K., under the Financial Services and Markets Act 2000 ("FSMA"), no person may carry on a regulated activity unless authorized or exempt. Effecting or intermediating contracts of insurance or reinsurance are regulated activities requiring authorization. Effecting contracts of insurance requires authorization by the PRA and is regulated by the FCA. Intermediating contracts of insurance requires authorization by the FCA.

Under the Financial Services Act 2012, the FCA is a conduct regulator for all U.K. firms carrying on regulated activity in the U.K. while the PRA is the prudential regulator for U.K. banks, building societies, credit unions, insurers and major investment firms. As a prudential regulator, the PRA's general objective is to promote the safety and soundness of the firms it regulates. The PRA rules require financial firms to hold sufficient capital and have adequate risk controls in place.

The FCA's statutory strategic objective is to ensure that relevant markets function well and have operational objectives to protect consumers and protect financial markets and to promote competition. It makes rules covering how the firm must be managed and requirements relating to the firm’s systems and controls, how business must be conducted and the firm’s arrangements to manage financial crime risk. The PRA and the FCA require regular and ad hoc reporting and monitor compliance with their respective rule books through a variety of means including the collection of data, industry reviews and site visits.

AXIS Managing Agency Ltd.

AXIS Managing Agency Ltd. is authorized and regulated by the PRA and regulated by the FCA to conduct insurance and reinsurance business and is a Lloyd's managing agent authorized by Lloyd's to manage our syndicate, Syndicate 1686.

To consolidate our Lloyd’s business under Syndicate 1686, Novae Syndicate 2007 ("Syndicate 2007") ceased accepting new business and was placed into run-off on January 1, 2019. The final underwriting year of Syndicate 2007 and of SPA 6129, a third-party Lloyd's special purpose arrangement, closed by way of reinsurance to close arrangements that took effect on January 1, 2021.

Lloyd’s is a society of corporate and individual members that underwrite insurance and reinsurance as members of syndicates. A syndicate is made up of one or more members that form a group to accept insurance and reinsurance risks. Each syndicate is managed by a managing agent that writes insurance business on behalf of the members of the syndicate. Syndicate members receive profits or bear losses in proportion to their respective shares in the syndicate for each underwriting year of account.

Lloyd’s is subject to U.K. law and is authorized under the FSMA. The Lloyd’s Act 1982 defines the governance structure and rules under which the society operates. Under the Lloyd's Act 1982, the Council of Lloyd’s is responsible for managing, supervising and supporting the Lloyd's market. Lloyd's agrees to syndicates' business plans and evaluates performance against those plans. Syndicates are required to underwrite only in accordance with their agreed business plans. If they fail to do so, Lloyd’s can take a range of actions including, as a last resort, prohibiting a syndicate from underwriting.

Lloyd’s has a global network of licenses and authorizations, and underwriters at Lloyd's may write business in countries where Lloyd’s has authorized status or exemptions available to non-admitted insurers or reinsurers. Lloyd’s licenses can only be used if the Syndicate Business Forecast, agreed annually with Lloyd’s, names those countries. Lloyd’s also manages and protects the Lloyd’s network of international licenses, monitors syndicates’ compliance with Lloyd’s minimum standards and is responsible for setting both member and central capital levels.

AXIS Managing Agency Ltd. operated an underwriting division at Lloyd’s Insurance Company (China) Limited, a wholly-owned subsidiary of the Corporation of Lloyd’s which allowed it to underwrite reinsurance in China. Syndicate 1686 ceased underwriting business on the Lloyd's China platform effective December 31, 2021. This business was placed in run-off effective January 1, 2022.

AXIS Corporate Capital UK Limited

AXIS Corporate Capital UK Limited is a corporate member of Syndicate 1686, providing 70% capital support.

AXIS Corporate Capital UK II Limited

AXIS Corporate Capital UK II Limited, formerly known as Novae Corporate Underwriting Limited, is a corporate member of Syndicate 1686, providing 30% capital support.

AXIS Underwriting Limited

AXIS Underwriting Limited, formerly known as Novae Underwriting Limited, is authorized and regulated by the FCA as an insurance intermediary. AXIS Underwriting Limited underwrites insurance on behalf of AXIS Specialty Europe and at Lloyd's on behalf of Syndicate 1686.

Contessa Limited

Effective December 2019, Contessa Limited ceased writing insurance on behalf of AXIS Specialty Europe. AXIS Specialty Europe now manages this book of business on a run-off basis.

AXIS Specialty UK Holdings Limited

AXIS Specialty UK Holdings Limited is incorporated under the laws of England and Wales, and is the limited liability holding company for AXIS Managing Agency Ltd., AXIS Corporate Capital UK Limited and Novae Group Limited.

Reinsurance

AXIS Managing Agency Ltd. remains able to conduct non-life facultative, proportional and excess of loss reinsurance throughout the EEA via Lloyd's Europe. The E.U. has yet to make equivalence decisions for the U.K. under Solvency II. As a result, UK regulated firms' access to E.U. markets generally depends on the rules each Member State applies to third country regulated firms.

AXIS Re SE currently transacts reinsurance business in the EEA pursuant to European law. In November 2020, the U.K. granted equivalence under Solvency II to EEA supervised reinsurers, including AXIS Re SE, allowing such reinsurers to continue operations without interruption.

Switzerland

AXIS Re SE's branch in Zurich, Switzerland trades as AXIS Re Europe and is registered in Zurich as AXIS Re SE, Dublin (Zurich Branch). The CBI remains responsible for the prudential supervision of the branch. The Swiss Financial Market Supervisory Authority does not impose additional regulation upon a Swiss branch of a company exclusively engaged in providing reinsurance.

AXIS Managing Agency Ltd. is eligible to use Lloyd's licenses to write all classes of insurance business, except life, sickness and legal expenses in Switzerland, and is authorized to write the same classes of reinsurance business in Switzerland.

Singapore

AXIS Specialty Bermuda conducts insurance and reinsurance business from its branch in Singapore, AXIS Specialty Limited (Singapore Branch), subject to the supervision of the BMA and the MAS. The BMA and the MAS impose significant regulations relating to capital adequacy, risk management, governance and audit and actuarial requirements. AXIS Specialty Limited (Singapore Branch) is registered by ACRA as a foreign company in Singapore and is also regulated by ACRA pursuant to the Singapore Companies Act. AXIS Specialty Bermuda ceased writing new business through its branch in Singapore, effective January 1, 2024, and plans to close this branch, subject to meeting all regulatory and legal requirements.

AXIS Managing Agency Ltd. is eligible to use Lloyd's licenses to write insurance from Singapore with the exception of certain compulsory classes and life business. Singapore business may also be written from outside Singapore in certain circumstances where it is placed with a Singapore intermediary licensed by the MAS to place business at Lloyd's or by dealing directly with the insured.

Canada

AXIS Re U.S. conducts insurance and reinsurance business from its branch in Canada, AXIS Reinsurance Company (Canadian Branch), subject to the supervision of the New York State Department of Financial Services and the Office of the Superintendent of Financial Institutions Canada ("OSFI"), the federal regulatory authority that supervises federal Canadian and non-Canadian insurance companies operating in Canada pursuant to the Insurance Companies Act (Canada). The branch is authorized by OSFI to transact insurance and reinsurance. In addition, the branch is subject to the laws and regulations of each of the provinces and territories in which it is licensed.

AXIS Managing Agency Ltd. is eligible to use Lloyd's licenses to write insurance in and from Canada, subject to the laws and regulations of each of the provinces and territories in which it is licensed, with the following exceptions: hail insurance in respect of crop in the province of Quebec; home warranty insurance in the province of British Columbia; life insurance; credit protection insurance; title insurance; surety; and mortgage default insurance. AXIS Managing Agency Ltd., through Lloyd's, is authorized to write reinsurance in and from Canada subject to certain restrictions relating to life reinsurance.

Belgium

AXIS Specialty Europe conducts insurance from its Belgium branch, AXIS Specialty Europe SE (Belgium Branch), which is subject to CBI prudential supervision and limited regulation by the NBB.

Non-Admitted Insurance and Reinsurance

The Company also insures and reinsures risks in many countries, including the above countries, pursuant to regulatory permissions and exemptions available to non-admitted insurers and reinsurers.

AXIS Managing Agency Ltd. is eligible to use Lloyd's licenses to write insurance and reinsurance business where Lloyd's has authorized status or pursuant to regulatory exemptions available to non-admitted insurers and reinsurers.

HUMAN CAPITAL MANAGEMENT

AXIS Capital's mission is not only to deliver strong financial results, but also to help our clients, brokers and partners navigate the challenges of a volatile world. We believe our employees distinguish us from our competitors and are critical to our success as an insurance and reinsurance company that leads with purpose. Our workforce's strength is grounded in our One AXIS culture, which celebrates collaboration, diversity and integrity, as well as relentless execution and continuous learning, adapting and improving. We recognize that our strength lies in our people, and therefore, one of our core strategies is to invest in and support our employees, including in the following areas of focus:

Talent Development

Investing in its people is a top priority for AXIS. We provide our employees with a variety of professional development resources to help them achieve their career goals. Some of our 2023 initiatives in furtherance of this goal are described below:

- *Career Mobility Within the Organization:* In 2023, 19% of our employees progressed in their AXIS careers either through a promotion, transfer or role expansion.
- *Learning at AXIS:* We provide our employees access to our online learning and development hub that reflects our commitment to continuing education. We offer over 9,800 online training courses.
- *Professional Development:* We offer financial assistance for external professional development opportunities and tuition reimbursement for certain part-time business-related degree programs. We distributed a toolkit of career and leadership development options to managers to provide during recent talent reviews.
- *Career Planning:* AXIS ensures its people feel empowered to "own their careers" and upskill to prepare for future roles. AXIS Careers offers employees a comprehensive suite of professional development tools, resources and training modules to help navigate career experiences and upskilling across our global organization. This includes leadership development, mentoring programs, and job secondments, shadows and swaps. In 2023, AXIS employees completed over 11,000 on-demand or instructor-led virtual learning and development courses.

Health, Safety and Wellness

We are committed to the health, safety and wellness of our workforce and offer our employees a variety of tools to support their physical, emotional and financial well-being. Examples include access to mental health resources, back-up child and elder care and on-demand fertility, maternity, postpartum and return-to-work assistance. We offer a hybrid working model that provides flexibility to our employees and encourages using our offices as a tool by being intentional about the time we spend in person. We strive to be an employer of choice and we expect this approach will help us recruit and retain talent.

Diversity, Equity and Inclusion

Fostering a culture that embraces diversity, equity and inclusion is foundational to our workplace environment at AXIS, which is why diversity, equity and inclusion ("DEI") is a key pillar of our Corporate Citizenship program. By actively embracing a variety of perspectives, experiences and backgrounds and ensuring equal treatment for all, we strive to make AXIS a more rewarding place to work.

Our Approach – AXIS continues to progress its DEI efforts through a formalized approach.

- *Internal Education and Awareness:* AXIS continues to host a variety of DEI educational initiatives, including promotional videos, social media posts, philanthropy campaigns and learning experiences to promote awareness. We ask our employees to participate in our unconscious bias education during new hire onboarding, and we sponsor a global forum every year on a topic selected by our DEI Council and Employee Resource Groups (ERGs). 2023 highlights are as follows:
    - Collectively, our five ERGs (AXIS Pride, Ethically Diverse Group of Employees ("EDGE"), Parents and Caregivers, Veterans, and Women) hosted over 15 events in 2023 ranging from domestic abuse awareness and training, actions to address xenophobia, celebrating Black History Month with a renowned U.K. scholar and more.
    - DEI learning experiences are created by a committee of AXIS colleagues and published monthly.
- *Recruitment and Mobility:* Our Talent Acquisition team continues to enhance and update its inclusive hiring best practices across AXIS. We prioritize having diverse interview slates, as well as identifying career mobility opportunities for existing staff. To reach talent in underrepresented communities we work with universities and professional organizations and partner with diverse internship programs. We also offer resources focused on eliminating bias during the selection process for hiring managers. 2023 highlights are as follows:
    - Became a signatory to the U.K. Armed Forces Covenant, a commitment to support and improve employment opportunities for veterans.
    - Launched Career Spotlights, a monthly event featuring three hiring managers who will spotlight their open roles to increase internal mobility within AXIS.
- *Career Development:* AXIS is committed to the development and retention of its people. We provide a variety of resources to help colleagues, such as access to our learning and development hub and financing professional development opportunities. We provide a menu of development programs for managers to identify opportunities to build an internal pipeline of talent. These include targeted programs to develop women and ethnically diverse employees. 2023 highlights are as follows:
    - Our annual DEI Forum focused on developing careers to build our internal talent pipeline at AXIS and was attended by more than 1,200 employees.
    - Over 100 employees participated in the third annual mentorship event, which was held with leaders throughout the business who shared tips on networking, advancing careers, gaining broader exposure and provided realistic advice about the challenges and opportunities employees face in their careers.
- *Tools and Measurement:* Understanding our progress is an important aspect of our program, which is why we have invested in tools to establish, report and benchmark progress against our DEI goals. We continue to measure diverse hiring, turnover, promotions, succession planning and candidate slates monthly and the gender pay gap annually. To continue holding ourselves accountable and in an effort to increase transparency, AXIS has published its Bloomberg Gender Equality data and response for the first time.
- *Our Voice:* AXIS continues to raise awareness and promote DEI issues, policies and initiatives to drive change across the insurance industry. 2023 highlights are as follows:
    - AXIS received the Armed Forces Covenant Employer Recognition Scheme Bronze Award.
    - AXIS continued its partnership with the Center for Disability & Inclusion pledge, an organization focused on advancing inclusion in the workplace.
    - AXIS continued to be a signatory of the CEO Action for Diversity & Inclusion pledge, reflecting our commitment to fostering a culture of inclusion.

- ◦ AXIS sponsored the 2023 Bermuda Pride Walk that was organized by OUTBermuda, an organization that promotes and supports the well-being of the LGBTQ community in Bermuda.
- ◦ AXIS continued to support Dive In, the insurance industry's festival for DEI. Further, AXIS was a Global Festival Partner for the third year in a row and the country lead for Ireland.
- ◦ AXIS supported its colleagues as they continued leadership positions in a variety of industry organizations dedicated to advancing DEI, such as Insider Progress, the National African American Insurance Association, the Association of Professional Insurance Women and the Wholesale & Specialty Insurance Association (WSIA) Diversity Foundation.
- ◦ AXIS partnered with St. John's University in the National African American Insurance Association Talent Competition for the third year.
- ◦ AXIS was awarded Insurance Business America's 5-Star DEI Award for the second year in a row.
- ◦ AXIS was included in the Bloomberg Gender Equality Index (GEI) for the third year in a row.

Employee Engagement

We understand that employee engagement leads to a more satisfying and fulfilling workplace and motivates employees to do their best work. Our employee engagement initiatives include:

- AXIS Applause is our global recognition program we use to recognize the contributions of AXIS colleagues and drive strong employee performance;
- Community building events for AXIS employees and their families; and
- Employee-led charitable giving program which helps our employees give back to their communities.

In addition, to provide an open and frequent line of communication between senior management and our employees, we host all-employee calls led by our CEO on a monthly basis and we encourage our people managers to periodically check in with their employees.

Each year, we conduct two enterprise-wide engagement surveys to better understand and improve the employee experience and identify opportunities to strengthen our culture. Managers and teams reflect on the survey results and develop enterprise-wide and local action plans to address areas identified for improvement. In 2023, on average 86% of employees participated in our biannual employee surveys. We are proud to have maintained strong survey engagement and scores in a year of organizational change.

Compensation and Benefits

To attract and retain our industry's top talent, we offer employees a total rewards program that is designed to incentivize exceptional performance. Our compensation packages align with our pay-for-performance philosophy and are assessed on an annual basis through year-end performance reviews. Our packages are also regularly benchmarked against similarly sized insurance, reinsurance and financial services companies in each of our talent markets. Compensation components include market competitive salaries and short-term annual incentive programs (i.e., bonus payments) and, for senior level employees, long-term incentives such as equity grants. Our comprehensive benefits packages include health and welfare plans for employees and their families, retirement savings plans with employer contributions and work-life benefits, including parental leave policies, flexible work arrangements for eligible employees and charitable matching programs.

At AXIS, we are committed to fair pay and delivering equal pay for equal work regardless of gender, race or other personal characteristics. In support of our commitment to equal pay practices, all compensation offers are reviewed against internal peers to ensure equal pay at the job level, while year-end incentive awards are reviewed for bias based on gender and ethnic diversity. Furthermore, regular pay equity audits are conducted with action taken to address any areas of concern. In particular, we have published the results of our global gender pay equity audits in connection with our participation in the Bloomberg Gender Equality Index.

Succession Planning

We have a robust talent and succession planning process. On an annual basis, management conducts a talent and succession plan for each member of our Executive Committee and their direct reports, focusing on high performing and high potential talent, diverse talent and the succession plan for each position. On an annual basis, our Board receives a comprehensive succession plan for each member of our Executive Committee, including the CEO.

Employees

At December 31, 2023, we had 2,048 employees. During 2023, the number of employees decreased by approximately 1% and our voluntary turnover rate was 10.9% compared to 12.7% in 2022.

Below is a summary of our employees by region at December 31, 2023:

	Employees
North America (including Bermuda)	1,289
Europe, Middle East and Africa	741
Asia Pacific	18
Total employees	**2,048**

At December 31, 2023, our global employees had approximately the following gender demographics:

	Women	Men
Total employees(1)	46%	53%

(1) <1% of employees did not identify.

At December 31, 2023, our U.S. employees had approximately the following racial and ethnic demographics:

	All U.S. Employees(1)
African American / Black	16%
Asian	11%
Hispanic / Latinx	5%
White	61%
Multiracial, Native American and Pacific Islander	2%
No Response / Not Disclosed	5%
Total employees	**100%**

(1) This information is presented for U.S. employees only. We continue to gather global demographic information in compliance with laws and regulations to demonstrate our racial and ethnic diversity.

TRADEMARKS

We use our trademarks, including among others, our "AXIS" trademarks for the global marketing of our products and services, and we believe that we sufficiently safeguard our trademark portfolio to protect our rights.

AVAILABLE INFORMATION

Our Internet website address is www.axiscapital.com. Information contained in our website is not part of this report.

We make available free of charge, through our internet website, our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC.

RISK AND CAPITAL MANAGEMENT

Risk Management Framework – Overview

Mission and Objectives

The mission of Enterprise Risk Management ("ERM") is to promptly identify, assess, manage, monitor, and report risks that affect the achievement of our strategic, operational, and financial objectives. The key objectives of our ERM framework are to:

- Protect our capital base and earnings by monitoring risks against our stated risk appetite and limits;
- Promote a sound risk management culture through disciplined and informed risk taking;
- Enhance value creation and contribute to an optimal risk-return profile by providing the basis for efficient capital deployment;
- Support our group-wide decision-making process by providing reliable and timely risk information; and
- Safeguard our reputation.

The ERM framework applies to all lines of business and corporate functions.

Risk Governance

At the heart of our ERM framework is a governance process with responsibilities for identifying, assessing, managing, monitoring, and reporting risks. We articulate roles and responsibilities for risk management throughout the organization, from the Board of Directors and the Chief Executive Officer to our business and corporate functions, thus embedding risk management throughout the Company (refer to '*Risk Governance and Risk Management Organization*' below).

Our risk policies are a formal set of documents that outline key drivers of risk and responsibilities for managing individual and aggregate risks. Our qualitative and quantitative risk reporting framework provides transparency and early warning indicators to senior management with regard to our overall risk profile, adherence to risk appetite and limits and management actions at the Group and legal entity level.

Various governance and control bodies coordinate to help ensure that objectives are being achieved, risks are identified, and appropriately managed, and internal controls are in place and operating effectively.

Internal Capital Model

An important aspect of our ERM framework is our internal capital model. Utilizing this modeling framework provides us with a holistic view of the capital we put at risk in any year by allowing us to understand the relative interaction among the known risks impacting us. This integrated approach recognizes that a single risk factor can affect different sub-portfolios and that different risk factors can have different mutual dependencies. We continuously review and update our model and its parameters as our risk landscape and external environment continue to evolve.

As well as being used to measure internal risk capital (refer to '*Capital Management'* below), our internal capital model is used as a tool in managing our business, specifically to help allocate capital to the businesses that will provide the best returns. We also use the internal model to support portfolio monitoring, reinsurance and retrocession (collectively referred to as "reinsurance") purchasing, and investment asset allocations.

Our internal capital model is an integral part of the business planning process which provides an assessment as to whether our prospective business and investment strategies are in line with our defined risk appetite and objectives at the Group and legal entity level. The model also provides a basis for optimizing our risk-return profile by providing consistent risk measurement across the Group. The model outputs are reviewed and supplemented with management's judgment and business experience and expertise. The internal capital model is subject to regular updates and validations.

Risk Diversification

As a global insurer and reinsurer with a wide product offering across different businesses, diversification is a key component of our business model and risk framework. Diversification enhances our ability to manage our risks by limiting the impact of a single event and contributing to relatively stable long-term results and our general risk profile. The degree to which the diversification effect can be realized depends not only on the correlation between risks but also the level of relative concentration of those risks. Therefore, our aim is to maintain a balanced risk profile without any disproportionately large risks. Our internal capital model considers the level of correlation and diversification between individual risks, and we measure concentration risk consistently across our business in terms of pre/post diversified internal risk capital requirements.

Risk Appetite and Limit Framework

Our integrated ERM framework considers material risks that arise both internally and externally, that could impact our business. Material risks that might accumulate and have the potential to produce substantial losses are subject to our group-wide risk appetite and limit framework. Our risk appetite, as authorized by the Board of Directors, represents the amount of risk that we are willing to accept in pursuit of our strategic objectives, within the constraints imposed by our capital resources as well as the expectations of our stakeholders as to the type of risks we hold within our business. At an annual aggregated level, we also monitor and manage the potential financial loss from the accumulation of risk exposure in any one year.

Specific risk limits are defined and translated into a consistent framework across our identified risk categories and across our legal entities and are intended to limit the impact of individual risk types or accumulations of risk. Individual limits are established through an iterative process to ensure that the overall framework complies with our group-wide requirements on capital adequacy and risk accumulation.

We monitor risks against our documented risk appetite and defined limits and report any deviations through our risk reporting framework.

External Perspectives

Various external stakeholders, among them regulators, rating agencies, investors and accounting bodies, place emphasis on the importance of sound risk management in the insurance and reinsurance industry. We monitor developments in the external environment and evolve our ERM framework and risk management practices accordingly.

Risk Governance and Risk Management Organization

The key elements of our governance framework, as it relates specifically to risk management, are described below:

Board of Directors' Level

The Risk Committee of the Board of Directors ("Risk Committee") assists the directors in overseeing the integrity and effectiveness of our ERM framework and ensuring that our risk mitigation activities are consistent with that framework. The Risk Committee reviews, approves and monitors our overall risk strategy, risk appetite, and key risk limits, and receives regular reports from the Group Risk Management function ("Group Risk") to ensure any significant risk issues are being addressed by management. The Risk Committee further reviews, with management and Internal Audit, the Group's risk policies and satisfies itself that effective systems of risk management and controls are established and maintained.

Among its other responsibilities, the Risk Committee reviews and approves our annual Own Risk and Solvency Assessment ("ORSA") report. The Risk Committee also assesses the independence and objectivity of our Group Risk function, approves its terms of reference, and reviews its ongoing activities. In addition, the Risk Committee conducts a review and provides a recommendation to the Board of Directors regarding the appointment and/or removal of the Chief Risk Officer. The Risk Committee meets with the Chief Risk Officer in separate executive sessions on a regular basis.

The Finance Committee of the Board of Directors oversees the Group's investment of funds and adequacy of financing facilities. This includes approval of the Group's strategic asset allocation plan.

The Audit Committee of the Board of Directors, which is supported by Internal Audit, is responsible for overseeing internal controls and compliance procedures, and also reviews with management and the Chair of the Risk Committee the Group's policies regarding risk assessment and risk management.

Group Executive Level

The Executive Committee formulates our business objectives and risk strategy within the overall risk appetite set by the Board of Directors. It allocates capital resources and sets limits across the Group, with the objective of balancing return and risk. While the Executive Committee is responsible overall for risk management, it has delegated some authority to the executive level Risk Management Committee ("RMC") consisting of the Chief Executive Officer, Chief Financial Officer, Chief Underwriting Officer, Chief Risk Officer, Chief Actuary - Reserving and Capital, and Chief Administrative and Legal Officer.

The RMC is responsible for overseeing the integrity and effectiveness of the Group's ERM framework and ensuring that the Group's risk mitigation activities are consistent with that framework, including a review of the annual business plan relative to our risk limits. In addition to the RMC, there is an established framework of separate yet complementary management committees and subcommittees, focusing on particular aspects of ERM including the following:

Management Committees

- The Operating Committee oversees the day-to-day operations of the organization, ensuring decisions are aligned and prioritized with our strategic goals and values.
- The Global Underwriting Committee oversees the integrity and effectiveness of our Underwriting Governance Framework ensuring our underwriting activities are consistent with that framework.
- The Investment & Finance Committee oversees the Group’s investment activities, which includes monitoring market risks, the performance of our investment managers and the Group’s asset-liability management, liquidity positions and investment policies and guidelines. The Investment & Finance Committee also prepares the Group’s strategic asset allocation and presents it to the Finance Committee of the Board of Directors for approval.
- The Capital Management Committee oversees the integrity and effectiveness our capital management policy, including the capital management policies of our legal entities and branches, and oversees the availability of capital within the Group.
- The Group Reserving Committee ensures appropriate oversight and validation of the Group loss reserves.

RMC Sub-Committees

- The Exposure Management Committee oversees the Group's exposure management framework for catastrophe and non-catastrophe lines, including the validation of modeling, threats framework, accumulation practices and monitoring of management appetites.
- The Reinsurance Security Committee ("RSC") sets out the financial security requirements of our reinsurance counterparties and approves counterparties, as needed.
- The Internal Model Committee oversees the Group's internal model framework, including the key model assumptions, methodology and validation framework.
- The Operational Risk Committee oversees the Group's operational risk framework for identifying, assessing, managing, monitoring, and reporting of operational risk and facilitates the embedding of effective operational risk management practices throughout the Group.
- The Emerging Risks Working Group oversees the processes for identifying, assessing, managing, monitoring, and reporting current and potential emerging risks.
- The Climate Change Working Group focuses specifically on climate-related risks and opportunities and oversees climate risk initiatives.

Group Risk Management Organization

As a general principle, management in each of the lines of business and corporate functions is responsible in the first instance for the risks and returns of its decisions. Management is the 'owner' of risk management processes and is responsible for managing our business within defined risk limits.

The Chief Risk Officer, who reports to the Chief Financial Officer and the Chair of the Risk Committee leads our independent Group Risk function, and is responsible for oversight and implementation of the Group's ERM framework, as well as providing guidance and support for risk management practices. Group Risk is responsible for developing methods and processes for identifying, assessing, managing, monitoring, and reporting risk. This forms the basis for informing the Risk Committee and RMC of the Group’s risk profile. Group Risk develops our ERM framework and oversees the adherence to this framework at the Group and legal entity level. Our Chief Risk Officer regularly reports risk matters to the Chief Financial Officer, Executive Committee, RMC, and the Risk Committee.

Internal Audit, an independent, objective function, reports to the Audit Committee of the Board of Directors on the effectiveness of our ERM framework. This includes assurance that key business risks have been adequately identified and managed appropriately and that our system of internal control is operating effectively. Internal Audit also coordinates risk-based audits, compliance reviews and other specific initiatives to evaluate and address risk within targeted areas of our business.

Our risk governance structure is further complemented by our legal team which seeks to mitigate legal and regulatory compliance risks with support from other teams. This includes ensuring that significant developments in law and regulation are observed and that we react appropriately to impending legislative and regulatory changes and applicable court rulings.

Risk Landscape

Our risk landscape comprises insurance, strategic, market, liquidity, credit, and operational risks that arise as a result of undertaking our business activities. We provide definitions of these risk categories as well as descriptions of management of these risks below. Across these risk categories, we identify and evaluate emerging threats and opportunities through a framework that includes the assessment of potential surprise factors that could affect exposures.

Our risk landscape is reviewed and reported on a regular basis to ensure that it remains up-to-date based on the evolving risk profile of the Company. In addition, we undertake ongoing risk assessments across all enterprise risks, the output of which is captured in our risk register, which is reviewed and reported through our governance structure.

Insurance Risk

Insurance risk is the inherent uncertainty as to the occurrence, amount and timing of insurance and reinsurance liabilities transferred to us through the underwriting process.

Since our inception in 2001, we have expanded our international presence, with underwriting offices in Bermuda, the U.S., Europe, Singapore, and Canada. Our disciplined underwriting approach coupled with a peer review process has enabled us to manage this growth in a controlled and consistent manner.

A key component of the Group's underwriting risk governance is our peer review processes, which allow for a collaborative review of risk and pricing, and ensure that underwriting is within established guidelines and procedures. Underwriting guidelines are in place to provide a framework for consistent pricing and risk analysis and to ensure alignment to the Group's risk appetite. Limits are set on underwriting capacity and cascade authority to individuals based on their specific roles and expertise.

We also have significant audit coverage across our lines of business, including Management Initiated Audits ("MIAs"). MIAs are audits of underwriting and claims files performed by teams independent of those who originated the transactions, the purpose of which is to test the robustness of our underwriting and claims processes and to recognize any early indicators of future trends in our operational risk environment.

Pricing

Premiums for insurance and reinsurance contracts are intended to cover expected claim costs, acquisition costs, operating costs, and an adequate level of profit margin commensurate to the risk being assumed. Premium amounts are typically agreed upfront, whereas the claim costs materializes over an extended period, especially for liability lines. The social, economic, and legal environments may evolve differently over that period compared to the original expectation. Additionally, inherent variability in claim counts and amounts could result in higher overall claim costs than expected in a given year. These factors could lead to a shortfall in premiums charged at the time of underwriting the policy. Premium risk can increase in times of heightened uncertainty in claim cost trends and at times when demand-supply imbalance results in competitive pricing.

We mitigate premium risk in our portfolio through four main levers. First, we take a vigilant and cautious approach on claims cost trends, and we review these assumptions regularly and frequently. Second, in some of our contracts we include loss and/or exposure adjustment features that flex premium and/or acquisition costs in response to higher-than-expected exposures and/or claim costs. Third, we employ underwriting action and reinsurance protection to minimize volatility in our claims experience by managing aggregation of limits and by maintaining balance between portfolio margin and limits deployed. Last, we continually enhance our processes including refining our models to ensure we grow the portfolio at times when pricing is in surplus and we shrink the portfolio at times when pricing is in deficit.

Reinsurance Purchasing

Another key component of our mitigation of insurance risk is the purchase of reinsurance to protect our business on a treaty (covering a portfolio of risks) and facultative (single risk) basis.

For treaty reinsurance, we purchase proportional and non-proportional cover.

Under proportional reinsurance, we cede an agreed percentage of the premiums and the losses and loss expenses on the policies we underwrite. We primarily use proportional reinsurance on our liability, professional lines and cyber insurance portfolios, as well as on select property insurance portfolios, where we protect against higher loss frequency rather than specific events. We also purchase proportional reinsurance for our accident & health, credit and surety, liability, motor, and professional lines reinsurance portfolios, which includes cessions to our Strategic Capital Partners.

We use non-proportional reinsurance, whereby losses up to a certain amount (i.e., our retention) are borne by us. By using non-proportional reinsurance, we can limit our liability with a retention, which reflects our willingness and ability to bear risk, and is therefore in line with our risk appetite. We primarily purchase the following forms of non-proportional reinsurance:

- Excess of loss per risk – our reinsurer(s) indemnify us for loss amounts in excess of our retention, for all individual policies effected, as defined in the treaty terms and conditions. Per-risk treaties are an effective means of risk mitigation against large single losses (e.g., a large fire claim).

- Catastrophe excess of loss – provides aggregate loss cover for our insurance portfolio against the accumulation of losses incurred from a single event (e.g., windstorm).

We have a centralized risk funding department, which coordinates external treaty reinsurance purchasing (including retrocession) across the Group and a separate AXIS ILS (Insurance Linked Securities) team, which coordinates the sourcing and structuring of third-party capital to support AXIS underwriting. Risk funding and AXIS ILS is overseen by our Reinsurance Purchasing Group ("RPG"). The RPG, which includes, among others, our Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Chief Underwriting Officer and representatives from the business leadership team, approves each treaty placement and aims to ensure that appropriate diversification exists within our RSC approved counterparty panels.

Facultative reinsurance provides risk transfer on a case by case basis. In certain circumstances, we use facultative reinsurance to complement treaty reinsurance by covering additional risks over and above what is already covered by treaties. Facultative reinsurance is monitored by the risk funding team.

Natural Peril Catastrophe Risk

Natural catastrophes such as hurricanes, windstorms, earthquakes, floods, tornados, hail and fire represent a challenge for risk management due to their accumulation potential and occurrence volatility. In managing natural catastrophe risk, our internal risk limit framework aims to limit the loss of capital due to a single event and the loss of capital that would occur from multiple (but perhaps smaller) events in any year. Within this framework, we have an established risk limit for single event, single zone probable maximum loss ("PML") within defined zones and at various return periods. For example, at the 1-in-250-year return period, we are not willing to expose more than 10% of common equity to a single event within a single zone.

The table below shows our net 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:

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 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 Wind 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 catastrophe, property, engineering, energy, marine and aviation lines of business. Our PMLs include assumptions regarding the location, size and magnitude of an event, the frequency of events, the construction type and a property's susceptibility to damage and the cost of rebuilding the property. Loss estimates for non-U.S. zones will be subject to foreign exchange rates, although we may mitigate this currency variability from a book value perspective.

As indicated in the table above, 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.

Man-Made Catastrophe Risk

Consistent with our management of natural peril catastrophe exposures, we take a similarly focused and analytical approach to the management of man-made catastrophes. Man-made catastrophes, which include such risks as train collisions, airplane crashes or terrorism, and other intentionally destructive acts, including cyber-attacks, are harder to model in terms of assumptions regarding intensity and frequency. For these risks we couple the vendor models, where available with our bespoke modeling and underwriting judgment and expertise. This allows us to take advantage of business opportunities related to man-made catastrophe exposures particularly where we can measure and limit the risk sufficiently as well as obtain risk-adequate pricing.

As an example of our approach, our assessment of terrorism risk is based on a mixture of qualitative and quantitative data (e.g., for estimating property damage, business interruption, mortality and morbidity subsequent to an attack of a predefined magnitude), which we use to limit and manage our aggregate terrorism exposure. We use commercially available vendor modeling and bespoke modeling tools to measure accumulations around potential terrorism accumulation zones on a deterministic and probabilistic basis. We supplement the results of our modeling with underwriting judgment.

Reserving Risk

The estimation of reserves for losses and loss expenses ("loss reserves") is subject to uncertainty as the settlement of claims is dependent on future events and developments. There are many factors that would cause loss reserves to increase or decrease, which include, but are not limited to emerging claims and coverage issues, changes in the legislative, regulatory, social and economic environment and unexpected changes in loss inflation. The estimation of loss reserves could also be adversely affected by the failure of our loss limitation strategy and/or the failure of models used to support key decisions.

We calculate loss reserves in accordance with actuarial best practice based on substantiated methodologies and assumptions. In addition, we have well established processes in place for determining loss reserves, which we ensure are consistently applied. Our loss reserving process demands data quality and reliability and requires a quantitative and qualitative review of overall reserves and individual large claims. Within a structured control framework, claims information is communicated on a regular basis throughout our organization, including to senior management, to provide an increased awareness of losses that have occurred throughout the insurance markets. The detailed and analytical reserving approach that follows is designed to absorb and understand the latest information on reported and unreported claims, to recognize the resultant exposure as quickly as possible, and to record appropriate loss reserves in our consolidated financial statements.

Reserving for longer tail lines of business represents a significant component of reserving risk. When loss trends prove to be higher than those underlying our reserving assumptions, the risk is greater because loss reserves recorded in our consolidated financial statements cover claims arising from several years of underwriting activity and these reserves are likely to be adversely affected by unfavorable loss trends. We manage and mitigate reserving risk on longer tail business in a variety of ways. First, the longer tail business we write is part of a well-balanced and diversified global portfolio of business. Second, we follow a disciplined underwriting process that utilizes available information, including industry trends.

Another significant component of reserving risk relates to the estimation of losses in the aftermath of a major catastrophe event. Refer to Item 7 *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Estimates – Reserves for Losses and Loss Expenses'* for further details. Refer also to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserving Methodology – Reserving for Catastrophic Events'* for further details.

Claims Handling Risk

In accepting risk, we are committing to the payment of claims and therefore these risks must be understood and controlled. We have claims teams dedicated to our main lines of business. Our claim teams include a diverse group of experienced professionals, including claims adjusters and attorneys. We also use approved external service providers, such as independent adjusters and appraisers, surveyors, accountants, investigators, and specialist attorneys, as appropriate.

We maintain claims handling guidelines, which include details on claims reporting controls and claims reporting escalation procedures, for all our claims teams. Large claims matters are reported on a weekly basis in claims summaries that are circulated to our underwriters, senior management and others involved in the reserving process. To maintain communication between underwriting and claims teams, claims personnel regularly report at underwriting meetings and frequently attend client meetings.

We foster a strong culture of review among our claims teams. This includes MIAs whereby senior claims handlers and/or external audit resources audit a sample of claim files. The process is designed to ensure consistency between the claims teams and to develop group-wide best practices.

When we receive notice of a claim, regardless of size, it is recorded in our claims and financial systems. In addition, we produce alerts regarding significant events and potential losses, regardless of whether we have exposure. These alerts allow a direct notification to be communicated to underwriters and senior management worldwide. Similarly, for natural peril catastrophes, we have developed a catastrophe database, along with catastrophe coding in certain systems, that allows for the gathering, analyzing, and reporting of loss information as it develops from early modeled results to fully adjusted and paid losses.

Strategic Risk

Strategic risks affect or are created by an organization’s business strategy and strategic objectives. Our review of strategic risk evaluates not only internal and external challenges that might cause our chosen strategy to fail but also evaluates major risks that could affect our long-term performance and position.

We believe it is imperative that we consider the business risks associated with, and mitigated by, each strategy. We also view strategic risk not only as the negative impact of risk but also the sub-optimization of gain. Fundamentally, we believe that we are set up for success if we analyze both value protection and value creation.

Environmental, Social and Governance (ESG) and sustainability have become major topics that encompass a wide range of issues, including climate change and other environmental risks. In line with our strategy, we have put in place a number of measures in order to identify, assess, manage, and monitor potential exposure to climate risks, for example physical, transition and liability risks.

At least on a quarterly basis, the Executive Committee meets and receives holistic information about execution against strategy and makes decisions to adjust and/or advance strategy. In addition, strategies employed throughout our business in support of the broader enterprise strategy are reviewed in the context of a broader governance structure by business leadership and are ultimately approved by the Board of Directors.

Market Risk

Market risk is the risk that our financial instruments, which include derivatives, may be negatively impacted by movements in financial market prices or rates, such as interest rates, credit spreads, equity securities' prices and foreign currency exchange rates. Fluctuations in market prices or rates primarily affect our investment portfolio.

Through asset-liability management, we aim to ensure that market risks influence the economic value of our investments and our loss reserves and other liabilities in the same way, thus mitigating the effect of market fluctuations. For example, we reflect important features of our liabilities, such as maturity patterns and currency structures, on the asset side of the balance sheet by acquiring investments with similar characteristics.

We supplement our asset-liability management with various internal policies and limits. As part of our strategic asset allocation process, different strategic asset classes are simulated and stressed to evaluate the ‘optimal’ portfolio, given return objectives and risk constraints. Our investments team manages asset classes to control aggregation of risk and provide a consistent approach to constructing portfolios and the selection process of external asset managers. We have limits on the concentration of investments by single issuers and certain asset classes, and we limit the level of illiquid investments (refer to '*Liquidity Risk'* below).

We stress test our investment portfolios using historical and hypothetical scenarios to analyze the impact of unusual market conditions and to ensure potential investment losses remain within our risk appetite. At an annual aggregated level, we manage the total risk exposure of our investment portfolio so that the 'total return' investment loss in any one year is unlikely to exceed a defined percentage of our common equity at a defined return period.

We mitigate foreign currency risk by seeking to match our estimated insurance and reinsurance liabilities payable in foreign currencies with assets, including cash and investments that are denominated in the same currencies. Where necessary, we use derivative financial instruments for economic hedging purposes. For example, in certain circumstances, we use forward contracts to economically hedge portions of our un-matched foreign currency exposures.

Liquidity Risk

Liquidity risk is the risk that we may not have sufficient cash to meet our obligations when they are due or would have to incur excessive costs to do so.

As an insurer and reinsurer, our core business generates liquidity primarily through premiums, investment income and the maturity/sale of investments. Our exposure to liquidity risk stems mainly from the need to pay claims on potential extreme loss events and regulatory constraints that limit the flow of funds within the Group. To manage these risks, we have a range of liquidity policies and procedures in place which are described below:

- We maintain cash and cash equivalents and a high quality, liquid investment portfolio to meet expected outflows, as well as those that could result from a range of potential stress events. We place limits on the maximum percentage of cash and investments that may be in an illiquid form as well as on the minimum percentage of unrestricted cash and liquid investment grade fixed maturity securities.
- We maintain committed borrowing facilities, as well as access to diverse funding sources, to cover contingencies. Funding sources include liquid cash and invested assets, external debt issuances and lines of credit.

Credit Risk

Credit risk represents the risk of incurring financial loss due to the diminished creditworthiness (reduced financial strength and, ultimately, possibly default) of our third-party counterparties.

We distinguish between various forms of credit exposure including the risk of issuer default from instruments in which we invest, such as corporate bonds, counterparty exposure in a direct contractual relationship, such as reinsurance, the credit risk related to our premium receivables, including those from brokers and other intermediaries, and the risk we assume through our insurance contracts, such as our credit and political risk, and credit and surety lines of business.

Credit Risk Aggregation

Refer to Item 8, Note 12 to the Consolidated Financial Statements 'Commitment and Contingencies' – Concentration of Credit Risk – Credit Risk Aggregation

Credit Risk Relating to Cash and Investments

Refer to Item 8, Note 12 to the Consolidated Financial Statements 'Commitment and Contingencies' – Concentration of Credit Risk – Cash and Investments

Credit Risk Relating to Reinsurance Recoverable Assets

Refer to Item 8, Note 12 to the Consolidated Financial Statements 'Commitment and Contingencies' – Concentration of Credit Risk – Reinsurance Recoverable on Unpaid and Paid Losses and Loss Expenses

Credit Risk Relating to Premium Receivables

Refer to Item 8, Note 12 to the Consolidated Financial Statements 'Commitment and Contingencies' – Concentration of Credit Risk – Insurance and Reinsurance Premium Balances Receivable

Credit Risk Relating to our Underwriting Portfolio

We provide credit insurance primarily for lenders (financial institutions) and commodity traders seeking to mitigate the risk of non-payment from their borrowers and trading counterparties. This product complements our traditional political risk insurance business. For the credit insurance contracts, it is necessary for the buyer of the insurance, most often a bank or commodity trader, to hold an insured asset, most often an underlying loan, or sale and purchase contract in order to claim compensation under the insurance contract. The majority of the credit insurance provided is for single-name illiquid risks that can be individually analyzed and underwritten, primarily in the form of senior secured bank loans but also unsecured payment obligations in the case of shorter term trade credit. As part of the underwriting process, an evaluation of creditworthiness and reputation of the obligor is critical. We generally require our clients to retain a share of each transaction that we insure. A key element to our underwriting analysis is the assessment of recovery in the event of default, and, accordingly, the strength of the collateral and the enforceability of rights to the collateral are paramount.

Generally, we do not underwrite insurance for structured finance products that would expose us to mark-to-market losses. In addition, our credit insurance contracts typically do not include terms which would introduce liquidity risk, most notably in the form of a collateralization requirement upon a ratings downgrade.

We also provide protection against sovereign default or sovereign actions that result in impairment of cross-border investments for banks and corporations. Our contracts generally include conditions precedent to our liability relating to the enforceability of the insured transaction and restricting amendments to the transaction documentation, obligations on the insured to prevent and minimize losses, subrogation rights, including rights to have the insured asset transferred to us, and waiting periods. Under most of our policies, a loss payment is made in the event that the debtor failed to pay our client when payment is due subject to a waiting period of up to 180 days.

We provide reinsurance of credit and surety bond insurers exposed to the risks of financial loss arising from non-payment of trade receivables or other credit obligations covered by a policy (credit insurance) or non-performance of obligations (surety). Our credit insurance exposures are concentrated within developed economies, while our surety bond exposures are concentrated in Latin America and developed economies. We provide coverage to the mortgage industry through insurance and reinsurance of mortgage insurance companies and U.S. government-sponsored entity credit risk sharing transactions. We focus on credit risk transfer from Federal Home Loan Mortgage Corporation and Federal National Mortgage Association, in the single-family, fixed rate, conforming mortgage space. We also provide this cover globally in a select number of developed countries. Our exposure to credit risk (credit, surety and mortgage) is monitored and managed through robust underwriting within defined parameters for credit quality and concentration, continuous monitoring of the housing and credit markets, as well as limits on our PML resulting from a severe economic downturn.

Operational Risk

Operational risk represents the risk of loss as a result of inadequate processes, system failures, human error or external events, including but not limited to direct or indirect financial loss, reputational damage, customer dissatisfaction, and legal and regulatory penalties.

Group Risk is responsible for coordinating and overseeing a group-wide framework for operational risk management. As part of this oversight, we facilitate the identification, assessment and management of key operational risks through risk assessments, and these are recorded on our risk register. We also maintain an operational loss-event database which helps us monitor and analyze potential operational risk issues, identify any trends, and, where necessary, put in place improvement actions to avoid occurrence or recurrence of operational loss events. We further supplement this with deep dive reviews to identify the key drivers of risk and review and challenge the appropriateness of current mitigation strategies and make recommendations for improvement.

We manage transaction type operational risks through the application of process controls throughout our business.

We have specific processes and systems in place to focus on high priority operational matters, such as managing business resilience, information security, and third-party vendor risk, which are described below:

- Major failures and disasters that could cause a severe disruption to working environments, facilities, and personnel, represent a significant operational risk to our business. Our Business Continuity Management framework strives to protect critical business services and the functions that support these business services from these effects to enable us to carry out our core tasks in time and at the quality required.
- We have developed a number of Information Technology ("IT") platforms, applications and security controls to support our business activities worldwide. Dedicated security standards are in place for our IT systems to ensure the proper use, availability and protection of our information assets.
- We have enhanced our governance processes for the prioritization of projects, to ensure greater transparency of the decision-making process, the alignment of teams working on the same projects, consistency of approach and alignment to strategy.
- Our use of third-party vendors exposes us to a number of increased operational risks, including the risk of security breaches, fraud, non-compliance with laws and regulations or internal guidelines and inadequate service. We manage material third-party vendor risk, by, among other things, performing a thorough risk assessment on potential large vendors, reviewing a vendor's financial stability, ability to provide ongoing service and business resilience planning.

Capital Management

Our capital management strategy is to maximize long-term shareholder value by, among other things, optimizing capital allocation and minimizing our cost of capital. We manage our capital in accordance with our Target Capital Range ("TCR") concept. The TCR defines the preferred level of capital needed to absorb shock losses and still satisfy our minimum solvency targets in relation to key capital benchmarks including our "own view" of risk from our internal capital model and regulatory and rating agency capital requirements, which are described below:

- Internal risk capital - We use our internal capital model to assess the capital consumption of our business, measuring and monitoring the potential aggregation of risk at extreme return periods.
- Regulatory capital requirements - In each country in which we operate, the local regulator specifies the minimum amount and type of capital that each of the regulated entities must hold in support of their liabilities and business plans. We target to hold, in addition to the minimum capital required to comply with the solvency requirements, an adequate buffer to ensure that each of our regulated entities meets its local capital requirements. Refer to Item 8, Note 22 to the Consolidated Financial Statements *'Statutory Financial Information'* for further details.
- Rating agency capital requirements - Rating agencies apply their own models to evaluate the relationship between the required risk capital of a company and its available capital resources. The assessment of capital adequacy is usually an integral part of the rating agency process. Meeting rating agency capital requirements and maintaining strong credit ratings are strategic business objectives of the Company. Refer to Item 7 *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources*' for further details.

The TCR identifies the point at which management needs to consider raising capital, amending our business plan or executing capital management activities well before capital approaches the minimum requirements ("early warning indicator"). This allows us to take appropriate measures to ensure the continued strength and appropriateness of our capital and solvency positions, and enables us to take advantage of opportunities as they arise. Such measures are performed as and when required and include traditional capital management tools (e.g., dividends, share buy-backs, issuance of shares or debt) or through changes to our risk exposure (e.g., recalibration of our investment portfolio or changes to our reinsurance purchasing strategy).

The TCR also considers an amount of capital beyond which capital could be considered "excess". Where we do not find sufficiently attractive opportunities and returns for our excess capital, we may return capital to our shareholders through share repurchases and/or dividends. In doing so, we seek to maintain an appropriate balance between higher returns for our shareholders and the security provided by a sound capital position.

ITEM 1A. RISK FACTORS

Insurance Risk

Insurance risk is the inherent uncertainty as to the occurrence, amount and timing of insurance and reinsurance liabilities transferred to us through the underwriting process.

The insurance and reinsurance business is historically cyclical, and we expect to experience periods with excess underwriting capacity and unfavorable premium rates.

The insurance and reinsurance business historically has been a cyclical industry characterized by periods of intense price competition due to excess underwriting capacity, as well as periods when shortages of capacity permit favorable premium levels. An increase in premium rates is often offset by an increased supply of insurance and reinsurance capacity, via capital driven by new entrants, new capital market instruments and structures and/or the commitment of additional capital by existing insurers and reinsurers. Any of these factors could lead to a significant reduction in premium rates, less favorable policy terms, increased expenses for customer acquisition and retention, and fewer submissions for our underwriting services. In addition to these considerations, changes in the frequency and severity of losses suffered by insureds and insurers may affect the cycles of the insurance and reinsurance business significantly, which in turn could affect our business, results of operations or financial condition.

Our 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.

While we exited the catastrophe and property reinsurance lines of business in 2022, we continue to have exposure to unexpected losses resulting from natural disasters, man-made catastrophes and other catastrophe events. Catastrophes can be caused by various events, including hurricanes, typhoons, earthquakes, tsunamis, hailstorms, floods, severe winter weather, fires, drought and other natural disasters and outbreaks of pandemic or contagious diseases. Catastrophes can also be man-made, such as terrorist attacks and other intentionally destructive acts, including those involving nuclear, biological, chemical or radiological events, cyber-attacks, explosions and infrastructure failures. The incidence and severity of catastrophes are inherently unpredictable and losses from catastrophes could be substantial.

Increases in the values and concentrations of insured property, particularly in coastal regions, and increases in the cost of construction materials required to rebuild affected properties, may continue to increase the impact of natural catastrophe events. Changes in global climate conditions may further increase the frequency and severity of natural catastrophe activity and losses. Similarly, changes in global political and economic conditions may increase both the frequency and severity of man-made catastrophe events. Our business also has exposure to global or nationally occurring pandemics caused by highly infectious and potentially fatal diseases. The impact of catastrophe events in years 2023, 2022 and 2021 included the recognition of the net losses and loss expenses of:

- $138 million, in the aggregate, primarily related to Cyclone Gabrielle and other weather-related events in 2023;
- $403 million, in the aggregate, primarily related to Hurricane Ian, the Russia-Ukraine war, Winter Storm Elliot, June European Convective Storms, and the COVID-19 pandemic in 2022; and
- $443 million, in the aggregate, primarily related to Hurricane Ida, U.S. Winter Storms Uri and Viola, and July European Floods in 2021.

These events materially reduced net income in the years noted. Although we manage our exposure to such events through the use of underwriting controls and the purchase of third-party reinsurance protection, catastrophe events are inherently unpredictable and the actual nature of such events when they occur could be more frequent or severe than contemplated in our pricing and risk management expectations. As a result, the occurrence of one or more catastrophe events could have a material adverse effect on our results of operations, financial condition or liquidity.

Risks from cybersecurity threats are dynamic and fast evolving, and could be exacerbated by geopolitical tensions, including hostile actions taken by nation-states and terrorist organizations. There is a risk that increases in the frequency and severity of cybersecurity incidents affecting us, our clients, or our third-party service providers could materially adversely affect our results of operations, financial condition or liquidity. The losses incurred from these risks are also dependent on our clients' and our third-party service providers' cybersecurity practices and defenses, as well as how policy terms and conditions interact with the evolving threat landscape. In addition, our exposure to cybersecurity incidents potentially includes exposure through "non-affirmative" coverages, meaning risks and potential losses associated with policies where cybersecurity risk is not explicitly included or excluded in the policy terms and conditions. As this is a relatively new risk, even in cases where losses from cybersecurity incidents are explicitly excluded, there can be no assurance that a court or arbitration panel will interpret policy language in line with the intention of the exclusion.

We could face unanticipated losses from war, terrorism, political unrest, and geopolitical uncertainty, and these or other unanticipated losses could have an adverse effect on our results of operations, financial condition or liquidity.

We have exposure to unexpected losses resulting from acts of terrorism, political unrest and geopolitical instability, including, but not limited to, events related to Russia's invasion of Ukraine, the Israel-Hamas conflict and the associated conflict in the Red Sea and in many regions of the world. Russia's invasion of Ukraine is having a profound impact on energy markets, particularly in Europe, which is impacting and may continue to impact economic conditions and investment returns. In certain instances, we specifically insure and reinsure risks resulting from acts of terrorism. Even in cases where we attempt to exclude losses from terrorism and certain other similar risks from some coverages written by us, there can be no assurance that a court or arbitration panel will interpret policy language or otherwise issue a ruling favorable to us. Accordingly, we can offer no assurance that our loss reserves will be adequate to cover losses should they materialize beyond expectation.

We have limited terrorism coverage in our own reinsurance program for our exposure to catastrophe losses related to acts of terrorism. On December 20, 2019, the President of the United States signed the Terrorism Risk Insurance Program Reauthorization Act of 2019 ("TRIP"), extending the program through December 31, 2027. Although TRIP provides benefits in the event of certain acts of terrorism, those benefits are subject to a deductible and to other limitations. Under TRIP, once losses attributable to certain acts of terrorism exceed 20% of direct commercial property and liability insurance premiums for the preceding calendar year, the federal government will reimburse insurers for 80% of losses in excess of this deductible.

Notably, TRIP does not provide coverage for reinsurance losses. Given the unpredictable frequency and severity of terrorism losses, as well as the limited terrorism coverage in our own reinsurance program, future losses from acts of terrorism could materially and adversely affect our results of operations, financial condition or liquidity in future periods.

Our credit and political risk insurance line of business protects insureds with interests in foreign jurisdictions in the event that governmental action prevents them from exercising their contractual rights, and may also protect their assets against physical damage perils. The insurance provided may include cover for losses arising from expropriation, forced abandonment, license cancellation, trade embargo, contract frustration, non-payment, war on land or political violence (including terrorism, revolution, insurrection and civil unrest).

Our credit and political risk line of business also provides non-payment coverage on specific loan obligations. We insure sovereign non-payment and corporate non-payment as a result of commercial as well as political risk events. The vast majority of the corporate non-payment credit insurance provided is for single-named illiquid risks, primarily in the form of senior bank loans that can be individually analyzed and underwritten. Generally, we do not underwrite insurance for structured finance products that would expose us to mark-to-market losses. In addition, our credit insurance contracts typically do not include terms which would introduce liquidity risk, most notably in the form of a collateralization requirement upon a ratings downgrade. We also manage our exposure by, among other things, setting credit limits by country, region, industry and individual counterparty, and regularly reviewing our aggregate exposures. However, due to globalization, political instability in one region can spread to other regions. Geopolitical uncertainty regarding a variety of domestic and international matters, such as the U.S. political and regulatory environment and the potential for default by U.S., Canadian and by one or more European sovereign debt issuers, could have a material adverse effect on our results of operations, financial condition or liquidity.

We may be adversely impacted by economic and social inflation

Our operations, like those of other insurers and reinsurers, are susceptible to the effects of economic and social inflation because premiums are established before actual losses and loss expenses are known. Although we consider the potential effects of economic and social inflation when setting premium rates, premiums may not fully offset the effects of inflation and thus may not adequately underwrite the risks we insure and reinsure. Loss reserves include assumptions about future payments for settlement of claims and claims-handling expenses. To the extent economic and social inflation causes costs to increase above loss reserves established for claims, we will be required to increase loss reserves with a corresponding reduction in net income in the period in which the deficiency is identified, which may have a material adverse effect on our results of operations or financial condition. Unanticipated higher economic inflation could also lead to higher interest rates, which would negatively impact the value of our fixed income securities and potentially other investments. In addition, to the extent that unanticipated higher economic inflation in different geographies leads to currency fluctuations, we may also experience increased volatility on foreign exchange gains and losses.

Global climate change, and increasing regulation relating to climate change, may have an adverse effect on our results of operations, financial condition or liquidity.

We are potentially exposed to different aspects of climate risk, specifically, physical, investment, liability and transition risks, as a result of climate change.

Physical risks include weather-related events and longer-term shifts in climate patterns and emanate primarily from the underwriting of property insurance and reinsurance. Climate change has added to the unpredictability and frequency of natural disasters in certain parts of the world and has created additional uncertainty as to future trends and exposures. Although the loss experience of catastrophe insurers and reinsurers has historically been characterized as low frequency, in recent years, the frequency of severe weather-related events has increased, and this trend may continue in the future. Climate change is likely to expose us to an increased frequency and/or severity of weather-related losses, and there is a risk that our pricing of these perils or our management of the associated aggregations does not appropriately allow for changes in climate.

Over the longer term, climate change may have an impact on the economic viability of certain lines of business if suitable adjustments in price and coverage cannot be achieved.

Additionally, catastrophic events and the effects of climate change could result in increased credit exposure to reinsurers and other counterparties with whom we transact business, declines in the value of investments we hold and disruptions to our physical infrastructure, systems and operations.

Changes in security asset prices such as real estate, stocks and long-term bonds may impact the value of our investments, resulting in realized or unrealized losses on our invested assets. Climate-related risks to security asset prices can include, but are not limited to: (i) changes in supply/demand characteristics for fossil fuels (e.g., coal, oil, natural gas); (ii) advances in low-carbon technology and renewable energy development; (iii) effects of extreme weather events on the physical and operational exposure of issuers; and the (iv) transition that these companies make towards addressing climate risk in their own businesses.

We may also be exposed to liability risks. Liability risks relate to losses or damages suffered by our insureds from physical or transition risks, such as losses stemming from climate-related litigation in liability lines. These risks could arise from management and boards of directors not fully considering or responding to the impacts of climate change, or not appropriately disclosing current and future risks. In addition, new regulatory developments, increased litigation activity and subsequent liability issues associated with climate change or greenhouse gas emissions may lead to losses under environmental liability, product liability and directors and officers or professional liability, particularly where the emitter is deemed to have misled investors. In addition, there is a link between liability risk and transition risk as the failure of companies to shift towards a low-carbon future and mitigate the impacts of climate change may lead to losses incurred by insureds.

There is additionally a risk that certain elements of our business cease to be viable as a result of climate change 'transition' risks, which relate to losses driven by policy, legal, technological, and market changes to address climate risks and include changes in consumer behavior, shareholder preferences, and any additional regulatory and legislative requirements, such as carbon taxes. Through its fossil fuel policy, AXIS Capital has committed to fully phasing out thermal coal from its insurance and facultative reinsurance portfolios no later than 2030 in OECD countries and 2040 globally. Additionally, by the end of 2025, AXIS has committed to phasing out any existing investments in companies in the thermal coal or oil sands industries that exceed its policy thresholds in its fossil fuel policy. There remains a risk that our financial condition or operating performance may be impacted by changes in our business model arising from climate change transition and by the performance of strategies we put in place to manage this transition.

We are also subject to complex and changing laws, regulations and public policy debates relating to climate change and other environmental risks, including overlapping, yet distinct, climate change-related disclosure requirements in multiple jurisdictions. These are difficult to predict and quantify, may conflict with one another, and may impose additional costs on us, which in turn could have an adverse impact on our business.

Changes in regulations relating to climate change or our own leadership decisions implemented as a result of assessing the impact of climate change on our business may result in an increase in the cost of doing business or a decrease in premiums.

The effects of emerging claim and coverage issues on our business are uncertain.

As industry practices and legal, judicial, social, political, technological and other environmental conditions change, unexpected issues related to systemic risks, claims and coverage may emerge. These issues may adversely affect our business by either extending coverage beyond our underwriting intent or by increasing the frequency and/or severity of claims. For example, the 2008 global financial crisis resulted in a higher level of claim activity on professional lines insurance and reinsurance business. Moreover, legislative, regulatory, judicial or social influences may impose new obligations on insurers or reinsurers that extend coverage beyond the intended contractual obligations, or result in an increase in the frequency or severity of claims beyond expected levels, for example as described in the climate change risk factor. In some instances, the effects of these changes may not become apparent until after we have issued the impacted insurance or reinsurance contracts. In addition, actual losses may vary materially from the current estimate of losses based on a number of factors (refer to '*If actual claims exceed our loss reserves, our financial results could be adversely affected*' below). As a result, the full extent of liability under an insurance or reinsurance contract may not be known for many years after the contract is issued and a loss occurs.

If actual claims exceed loss reserves, our financial results could be adversely affected.

While we believe that loss reserves at December 31, 2023 are adequate, new information, events or circumstances, unknown at the original valuation date, may lead to future developments in ultimate losses being significantly greater or less than the loss reserves currently provided. The actual final cost of settling claims outstanding at December 31, 2023, as well as claims expected to arise from the unexpired period of risk, is uncertain. There are many factors that would cause loss reserves to increase or decrease, which include, but are not limited to, changes in claim severity, changes in the expected level of reported claims, judicial action changing the scope and/or liability of coverage, changes in the legislative, regulatory, social and economic environment and unexpected changes in loss inflation.

When establishing our single point best estimate of loss reserves at December 31, 2023, management considered actuarial estimates and applied informed judgment regarding qualitative factors that may not be fully captured in actuarial estimates. Such factors included, but were not limited to, an examination of trend assumptions, the timing of the emergence of claims, volume and complexity of claims, current social and judicial trends, potential severity of individual claims and the extent of internal historical loss data versus new industry information.

Changes to previous estimates of prior year loss reserves can adversely impact the reported calendar year underwriting results if loss reserves prove to be insufficient or can favorably impact reported results if loss reserves prove to be higher than actual claim payments. If net income is insufficient to absorb a required increase in loss reserves, we would incur a net loss and could incur a reduction in capital.

The failure of our loss limitation strategy could have a material adverse effect on our results of operations, financial condition or liquidity.

We seek to mitigate loss exposure through multiple methods. For example, we write a number of reinsurance contracts on an excess of loss basis. Excess of loss reinsurance indemnifies the reinsured for losses in excess of a specified amount. We generally limit the line size for each client and line of business on our insurance business and purchase reinsurance for many of our lines of business. In the case of proportional reinsurance treaties, we seek per occurrence limitations or losses and loss expenses ratio caps to limit the impact of losses from any one event. In proportional reinsurance, the reinsurer shares a proportional part of the premiums and losses of the reinsured. We also seek to limit our loss exposure through geographic diversification. Geographic zone limitations involve significant underwriting judgments, including the determination of the area of the zones and the inclusion of a particular policy within a particular zone's limits. In addition, various provisions of our insurance policies and reinsurance contracts, such as limitations or exclusions from coverage or choice of forum negotiated to limit our risks, may not be enforceable in the manner we intend. We cannot be sure that these loss limitation methods will effectively prevent a material loss exposure, which could have a material adverse effect on our results of operations, financial condition or liquidity.

If we choose to purchase reinsurance, we may be unable to do so on favorable terms or at all.

We purchase reinsurance for our insurance and reinsurance operations in order to mitigate the volatility of losses on our financial results. From time to time, market conditions have limited, and in some cases have prevented, insurers and reinsurers from obtaining the types and amounts of reinsurance that they consider adequate for their business needs. There is no guarantee that our desired amounts of reinsurance or retrocessional reinsurance will be available in the marketplace in the future. In the current environment, our ability to renew our current reinsurance or retrocessional reinsurance arrangements or obtain desired amounts of new or replacement coverage on favorable terms may be substantially reduced as a result of the impact of inflation, industry catastrophic losses to reinsurer capital and the appetite for certain lines of business. In addition to capacity risk, the remaining capacity may not be on terms we deem appropriate or acceptable or with companies with whom we want to do business. If we are unable to renew our current reinsurance or retrocessional reinsurance or purchase new or replacement coverage, on favorable terms or at all the amount of business we are willing to write may be limited or our protection from losses due to large loss events may be materially reduced.

We utilize models to assist our decision making in key areas such as underwriting, reserving, investment management, capital assessment, risk management, reinsurance purchasing and the evaluation of our catastrophe risk, and we could be adversely impacted if these models are inadequate or unfit for the purpose for which they are being used.

We employ various modeling techniques (for example, scenarios, predictive, stochastic and/or forecasting) to analyze and estimate exposures and risks associated with our assets and liabilities. We utilize modeled outputs and related analyses to assist us in decision-making, for example, related to underwriting and pricing, reserving, investment, capital assessment, risk management, reinsurance purchasing and the evaluation of our catastrophe risk through estimates of probable maximum losses, or "PMLs". The modeled outputs and related analyses, both from proprietary and third-party models, are subject to various assumptions, professional judgment, uncertainties and the inherent limitations of any statistical analysis, including the use and quality of historical internal and industry data. These models may turn out to be inadequate representations of the underlying subject matter, including as a result of inaccurate inputs or application thereof (whether due to data error, human error or otherwise). Consequently, actual losses from loss events, whether from individual components (for example, wind, flood, earthquake, etc.) or in the aggregate, may differ materially from modeled results. If, based upon these models or other factors, we misprice our products or underestimate the frequency and/or severity of loss events, our results of operations, financial condition or liquidity may be adversely affected. In addition, 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 stochastic events are not an exact representation of actual events. Thus, an actual event does not necessarily resemble one of the stochastic events, and the specific characteristics of the actual event can lead to substantial differences between actual and modelled losses.

With respect to the evaluation of our catastrophe risk, our modeling utilizes a mix of historical data, scientific theory and mathematical methods. Output from multiple commercially available vendor models serves as a key input in our PML estimation process. We believe that there is considerable inherent uncertainty in the data and parameter inputs for these vendor models. In that regard, there is no universal standard in the preparation of insured data for use in the models and the running of modeling software. In our view, the accuracy of the models depends heavily on the availability of detailed insured loss data from actual recent large catastrophes. Due to the limited number of events, there is significant potential for substantial differences between the modeled loss estimate and actual company experience for a single large catastrophe event. This potential difference could be even greater for perils with limited or no modeled annual frequency. We perform our own vendor model validation (including sensitivity analysis and backtesting, where possible) and supplement model output with historical loss information and analysis and management judgment. In addition, we derive our own estimates for non-modeled perils. Despite this, our PML estimates are subject to a high degree of uncertainty, and actual losses from catastrophe events may differ materially.

We could be materially adversely affected if managing general agents, general agents, coverholders, other producers and third-party administrators in our program business exceed their underwriting and/or claims settlement authorities or otherwise breach obligations owed to us.

In program business conducted by the insurance segment, following our underwriting, financial, claims and information technology due diligence reviews, we authorize managing general agents, general agents, coverholders and other producers to write business and settle claims on our behalf within prescribed authorities. Once a program/coverholder commences, we must rely on the underwriting, operational and claims controls of these entities to write business within the authorities provided by us. Although we monitor our programs/coverholders on an ongoing basis, our monitoring efforts may not be adequate or these entities may exceed their underwriting or claims settlement authorities or otherwise breach obligations owed to us. To the extent that these entities exceed their authorities or otherwise breach obligations owed to us in the future, our results of operations or financial condition could be materially adversely affected.

Strategic Risk

Strategic risks affect or are created by an organization's business strategy and strategic objectives. Our review of strategic risk evaluates not only internal and external challenges that might cause our chosen strategy to fail but also evaluates major risks that could affect our long-term performance and position.

Competition and consolidation in the insurance/reinsurance industry could reduce our growth and profitability.

The insurance/reinsurance industry is highly competitive. We compete on an international and regional basis with major U.S., Bermuda, European and other international insurers and reinsurers, including Lloyd's syndicates, some of which have greater financial, marketing and management resources. We also compete with new companies that enter the insurance/reinsurance markets. In addition, capital market participants have created alternative products that are intended to compete with insurance and reinsurance products. New and alternative capital inflows in the insurance/reinsurance industry and the retention by insured and cedants of more business may cause an excess supply of insurance and reinsurance capital. There has been a large amount of merger and acquisition activity in the insurance/reinsurance sector in recent years, which may continue; we may experience increased competition as a result of that consolidation with consolidated entities having enhanced market power. Increased competition could result in fewer submissions, lower premium rates, less favorable policy terms and conditions and greater costs of customer acquisition and retention. If industry pricing does not meet our hurdle rate, we may reduce our future underwriting activities. These factors could have a material adverse effect on our growth and profitability.

The insurance industry is undergoing extensive technological change. There is increasing focus by traditional insurance industry participants, technology companies, including new insurance technology companies ("InsurTech") and others on using technology and innovation (including artificial intelligence, digital platforms, data analytics, and robotics), to disrupt and/or enhance current business models and operations. This includes market-wide enabling technology initiatives (e.g. Blueprint 2 in the London Market). We expect this trend to enable enhanced customer focus, greater efficiencies, delivery of more relevant products and other sources of competitive advantage. If we do not adapt to these technological changes, it could harm our ability to compete, which could have a material adverse impact on our growth or profitability.

Furthermore, enhanced competition could drive innovation, technological change and changing customer preferences in the markets in which we operate, and these changes could pose other risks to our businesses. For example, they could result in increasing expenses as we make investments to innovate our products and services.

In addition, certain of our strategic choices, including our exit from catastrophe and property reinsurance lines of business in 2023, could impact our competitive position, which could have an impact on existing relationships and market share.

Global economic conditions could adversely affect our business, results of operations or financial condition.

The global economic environment continues to be impacted by inflationary pressures, high interest rates, and uncertainty regarding the geopolitical environment, the possibility of a recession, government shutdowns, debt ceilings and the tightening of capital availability. During 2022 and the first half of 2023, inflation reached and stayed unusually high in many parts of the world, and central banks in the U.S. and other countries raised interest rates to counter inflation by slowing economic activity. Monetary policy tightening actions are ongoing at December 31 2023, and their long-term impact on financial markets and the real economy is still uncertain. Uncertainty and market turmoil has affected and may in the future affect, among other aspects of our business, the demand for and claims made under our products, the ability of customers, counterparties and others to establish or maintain their relationships with us, our ability to access and efficiently use internal and external capital resources and our investment performance and portfolio. We also provide coverage to the mortgage industry through insurance and reinsurance of mortgage insurance companies and U.S. government sponsored entity credit risk sharing transactions, and deteriorating economic conditions could cause mortgage insurance losses to increase and adversely affect our results of operations or financial condition.

In addition, steps taken by central banks to control inflation and/or governments to stabilize financial markets and improve economic conditions may be ineffective, and actual or anticipated efforts to continue to unwind some of such steps could disrupt financial markets and/or could adversely impact the value of our investment portfolio. Further increases in interest rates would decrease unrealized gains and/or increase unrealized losses on our debt securities portfolio, partially offset by our ability to earn higher rates of return on reinvested funds. Higher inflation could lead to even higher interest rates, which would continue to negatively impact the value of our existing fixed income or other investments.

Given the ongoing global economic uncertainties, evolving market conditions may continue to affect our results of operations, financial condition, and capital resources. In the event that there is additional deterioration or volatility in financial markets or general economic conditions, our results of operations, financial condition, capital resources, and competitive landscape could be materially and adversely affected.

In connection with the implementation of our corporate strategies, we face risks associated with the acquisition or disposition of businesses, the entry into new lines of business, the integration of acquired businesses and the growth and development of these businesses.

As part of our strategy, we have pursued and may continue to pursue growth through acquisitions, or we may dispose of or exit businesses we currently own. The success of this strategy is dependent upon our ability to identify appropriate acquisition and disposition targets, negotiate transactions on favorable terms, complete transactions and, in the case of acquisitions, successfully integrate them into our existing businesses. If a proposed transaction is not consummated, the time and resources spent in researching it could adversely result in missed opportunities to locate and acquire other businesses. In addition, the negotiation of potential acquisitions as well as the integration of an acquired business or new personnel could result in a substantial diversion of management resources. Successful integration may depend on, among other things, our ability to effectively integrate acquired businesses or new personnel into our existing risk management and financial and operational reporting systems, our ability to effectively manage any regulatory issues created by our entry into new markets and geographic locations, our ability to retain key personnel and other operational and economic factors. There can be no assurance that the integration of acquired businesses or new personnel will be successful, or that we will realize anticipated synergies, cost savings and operational efficiencies, or that the business acquired will prove to be profitable or sustainable. Acquisitions could involve numerous additional risks such as potential losses from unanticipated litigation, levels of claims and an inability to generate sufficient revenue to offset acquisition costs. Failure to manage these risks could materially and adversely affect our business, financial condition and results of operations. If we dispose of or otherwise exit certain businesses, there can be no assurance that we will not incur certain disposition related charges, or that we will be able to reduce overhead related to the divested assets.

From time to time, either through acquisitions or internal development, we may enter new lines of business or offer new products and services within existing lines of business. These new lines of business or new products and services may present additional risks, particularly in instances where the markets are not fully developed. Such risks include the investment of significant time and resources; the possibility that these efforts will not be successful, or that we are unable to retain clients; and the risk of additional liabilities associated with these efforts. Failure to manage these risks in the development of new lines of businesses could materially and adversely affect our business, financial condition and results of operations.

New regulations relating to the U.K.'s withdrawal from the E.U. could adversely affect us.

In January 2020, the U.K. ceased to be a member of the EU ("Brexit"). AXIS Specialty Europe SE accesses the U.K. market through a third country branch in the U.K. In February 2023 the European Insurance and Occupational Pensions Authority ("EIOPA") published a Supervisory Statement on governance of third country branches. Although this Supervisory Statement is directed towards national supervisory authorities, it does set out how EIOPA expects third country branches to be supervised across the European Union. In Ireland, the Central Bank of Ireland has published its response to this Supervisory Statement, and made its expectations of the insurers clear. AXIS Specialty Europe SE has conducted a gap analysis against these Central Bank of Ireland expectations, and has not found any gaps.

Lloyd’s accesses the European Union market through its Belgium based insurance company, Lloyd’s Insurance Company S.A., which has a third country branch in the U.K. In Belgium, the National Bank of Belgium has not yet made any public announcement regarding the EIOPA Supervisory Statement. As change the status quo by the National Bank of Belgium could impact Lloyd’s Insurance Company S.A., and consequently AXIS Managing Agency Limited. We continue to monitor this situation closely.

Since we depend on a few brokers for a large portion of our revenues, loss of business provided by any one of them could have a material adverse effect on our business.

We market our insurance and reinsurance products worldwide primarily through insurance and reinsurance brokers and derive a significant portion of our business from a limited number of brokers. Aon plc, Marsh & McLennan Companies, Inc., including its subsidiary Guy Carpenter & Company, Inc. and Arthur J. Gallagher & Co., provided 38% of gross premiums written in 2023. Our relationships with these brokers are based on the quality of our underwriting and claims services, as well as our financial strength ratings. Any deterioration in these factors could result in the brokers advising our clients to place their business with other insurers and reinsurers. In addition, these brokers also have, or may in the future acquire, ownership interests in insurance and reinsurance companies that may compete with us; these brokers may then favor their own insurers and reinsurers over other companies. Loss of all or a substantial portion of the business provided by one or more of these brokers could have a material adverse effect on our business.

A downgrade in our financial strength or credit ratings by one or more rating agencies could adversely affect our business, results of operations, financial condition or liquidity.

Financial strength, claims paying and credit ratings are important factors in establishing the competitive position of insurance companies and maintaining customer confidence in us and in our ability to market insurance products. Independent rating agencies analyze the financial performance and condition of insurers on an ongoing basis.

We have experienced, and there can be no assurance that we will not experience in the future, a ratings downgrade or other negative action from one of the independent rating agencies. This could arise from a change in our financial performance, our financial condition or a change in ratings methodology. Ratings agencies may also heighten the level of scrutiny they apply when analyzing companies in our industry, adjust upward the capital and other requirements employed in their models and/or discontinue credit and debt instruments or other structures deployed for maintenance of certain rating levels. A downgrade, withdrawal or negative watch/outlook by any independent rating agency could cause our competitive position in the insurance/reinsurance industry to suffer and make it more difficult for us to market our products. In addition, if we experience a credit rating downgrade, withdrawal or negative watch/outlook in the future, we could incur higher borrowing costs and may have more limited means to access capital. A downgrade, withdrawal or negative watch/outlook could also result in a substantial loss of business for us, as ceding companies and brokers that place such business may move to other insurers and reinsurers with higher ratings. We would also be required to post collateral under the terms of certain of our policies of reinsurance.

We may require additional capital in the future, which may not be available or may only be available on unfavorable terms.

Our future capital requirements depend on many factors, including rating agency and regulatory requirements, the performance of our investment portfolio, our ability to write new business successfully, the frequency and severity of catastrophe events and our ability to establish premium rates and loss reserves at levels sufficient to cover losses. We may need to raise additional funds through financings. If we are unable to do so, it may curtail our ability to conduct our business. Any equity or debt financing, if available at all, may be on terms that are not favorable to us. As economic and market uncertainty continues, it is possible that access to the capital markets may become more constrained and cost of capital may increase. Equity financings could be dilutive to our existing shareholders and could result in the issuance of securities that have rights, preferences and privileges that are senior to those of our other securities. If we cannot obtain adequate capital on favorable terms or at all, our business, operating results and financial condition could be adversely affected.

Our inability to obtain the necessary credit could adversely affect our ability to offer reinsurance in certain markets.

Neither AXIS Specialty Bermuda nor AXIS Re SE is licensed or admitted as an insurer or reinsurer in any jurisdiction other than Bermuda, Ireland, Singapore and Brazil. Because the U.S. and certain other jurisdictions do not permit insurance companies to take credit on their statutory financial statements for reinsurance obtained from unlicensed or non-admitted insurers unless appropriate security mechanisms are in place, our reinsurance clients in these jurisdictions typically require AXIS Specialty Bermuda and AXIS Re SE to provide letters of credit or other collateral, unless such reinsures have obtained reciprocal jurisdiction reinsurer status in the reinsured's domiciliary state. Our credit facilities are used to post letters of credit. However, if our credit facilities are not sufficient or if we are unable to renew our credit facilities or arrange for other types of security on commercially affordable terms, AXIS Specialty Bermuda and AXIS Re SE could be limited in their ability to write business for some of our clients.

We could be adversely affected by turnover of senior management, the loss of one or more key executives, an inability to attract and retain qualified personnel or by the inability of an executive to obtain a Bermuda work permit.

Our success depends on our ability to retain our existing key executives and to attract, hire and retain additional qualified personnel. There is significant competition from within the insurance industry and from businesses outside the industry for exceptional employees, especially in key positions. Our competitors may be able to offer a work environment with higher compensation or more opportunities. Any new personnel we hire may not be or become as productive as we expect, as we may face challenges in adequately or appropriately integrating them into our workforce and culture. Our effort to retain and develop personnel may also result in significant additional expenses, which could adversely affect our profitability. The loss of any of our key executives or the inability to attract, hire and retain other highly qualified personnel (whether as a result of an insufficient number of qualified applicants, difficulty in recruiting new employees, or inadequate resources to train, integrate, and retain qualified employees) could adversely affect our ability to conduct our business. Changes to or turnover among senior management or key executives could disrupt the Company’s strategic focus and operational capabilities. These changes, and the potential failure to retain and recruit senior management and other key employees, could have a material adverse effect on the Company’s operations and ability to manage the day-to-day aspects of its business. Unexpected or abrupt departures may result in the failure to effectively transfer roles, responsibilities, and institutional knowledge and may impede our ability to act quickly and efficiently in executing our business strategy as we devote resources to recruiting new personnel or transitioning existing personnel to fill those roles. Moreover, changes in local employment legislation, taxation and the approach of regulatory bodies to compensation practices within our operating jurisdictions may impact our ability to recruit and retain qualified personnel or the cost to us of doing so. In addition, health emergencies or pandemics could impact our ability to attract and retain key personnel. There can be no assurance that we will be successful in identifying, hiring or retaining successors on terms acceptable to us.

With few exceptions, generally only Bermudians, spouses of Bermudians or Permanent Resident Certificate holders (collectively, "Residents") may engage in any gainful occupation in Bermuda without an appropriate governmental work permit. Work permits may be granted or extended by the Bermuda government only upon showing that, after proper public advertisement (in most cases), no Residents who meet the minimum standard requirements for the advertised position have applied for the position. Work permits are generally granted for one-, three- or five-year durations. Expatriate workers can, subject to the above, continue to be employed in Bermuda indefinitely by reapplying for work permits. All executives who periodically work in our Bermuda office and who require work permits have obtained them.

Increasing scrutiny and evolving expectations from investors, customers, regulators, policymakers and other stakeholders regarding environmental, social and governance matters may adversely affect our reputation or otherwise adversely impact our share price, demand for our securities and business and results of operations.

Investors, customers, regulators, policymakers and other stakeholders have placed increased importance on environmental, social and governance ("ESG") practices and disclosures. Certain institutional investors, investor advocacy groups, investment funds, creditors and other influential financial markets participants have become increasingly focused on companies' ESG practices and disclosures in evaluating their investments and business relationships. The heightened and sometimes conflicting stakeholder focus on ESG issues related to our business requires the continuous monitoring of various and evolving laws, regulations, standards and expectations and the associated reporting requirements.

In addition, regulators have adopted and likely will continue to adopt pro- or anti-ESG-related rules and guidance, which may conflict with one another and impose additional costs on us. Pressure from key stakeholders to comply with additional voluntary ESG-related initiatives or frameworks could also require us to make substantial investments in ESG matters, which could impact the results of our operations. ESG encompasses a wide range of issues, including climate change and other environmental risks, diversity and inclusion and governance standards. We cannot predict whether our business decisions, business strategy and disclosures relating to ESG issues will meet the expectations or requirements of relevant stakeholders, including certain key institutional shareholders. In the event that we publicly disclose, voluntarily or otherwise, certain goals or initiatives regarding ESG matters, we could fail, or we could be perceived to fail, in our achievement of such initiatives or goals, or we could be criticized for the scope of such initiatives or goals. This could result in adverse publicity, reputational harm, or loss of customer and/or investor confidence, which could adversely affect our business and results of operations. In addition, our share price and demand for our securities could be adversely affected.

Pandemics or other outbreaks of contagious diseases and efforts to mitigate their spread have had, and could in the future have, widespread impacts on the way we operate.

The spread of COVID-19 and mitigating measures caused unprecedented disruptions to the global economy and normal business operations across sectors and countries, including the sectors and countries in which we operate. A resurgence of the COVID-19 outbreak, including as a result of new variants, or future pandemics or other outbreaks of contagious diseases may result in similar or worse economic implications and disruptions.

Market Risk

Market risk is the risk that our financial instruments, which include derivatives, may be negatively impacted by movements in financial market prices or rates such as interest rates, credit spreads, equity securities' prices and foreign currency exchange rates.

Our investment portfolios are exposed to significant capital markets risk related to changes in interest rates, credit spreads and equity prices, as well as other risks, which may adversely affect our results of operations or financial condition.

The performance of our cash and investments portfolio has a significant impact on our financial results. A failure to successfully execute our investment strategy could have a significant impact on our results of operations or financial condition.

Our investment portfolio is subject to a variety of market risks, including risks relating to general economic conditions, interest rate fluctuations, equity price risk, foreign currency movements, pre-payment or reinvestment risk, liquidity risk and credit risk. We manage market risks through, among other things, stressing diversification and conservation of principal and liquidity in our investment guidelines. An extended period of poor global financial market returns would adversely impact the value of our investment portfolio.

Fixed maturities, which represent 85% of our total investments and 77% of total cash and investments at December 31, 2023, may be adversely impacted by changes in interest rates or credit spreads. Increases in yields could cause the fair value of our investment portfolio to decrease, resulting in a lower book value (refer to Item 7A *'Quantitative and Qualitative Disclosure About Market Risk'* for further details) and capital resources. A decline in yields may result in reductions in our investment income as new funds and proceeds from sales and maturities of fixed income securities are reinvested at lower rates. This reduces our overall future profitability. Interest rates and credit spreads are highly sensitive to many factors, including governmental and central bank monetary policies, inflation, domestic and international economic and political conditions, corporate profitability and other factors beyond our control. In 2023, the U.S. Federal Reserve and other central banks increased interest rates at various times to stem inflation and may further increase rates in the future.

Our portfolios of "other investments" and equity securities expose us to market price variability, driven by a number of factors outside of our control including, but not limited to global equity market performance. Given our reliance on external investment managers, we are also exposed to operational risks, which may include, but are not limited to a failure to follow our investment guidelines, technological and staffing deficiencies and inadequate disaster recovery plans.

Our derivative instrument counterparties may default on amounts owed to us due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud or other reasons. Even if we are entitled to collateral in circumstances of default, such collateral may be illiquid or proceeds from such collateral when liquidated may not be sufficient to recover the full amount of the obligation.

Our operating results may be adversely affected by currency fluctuations.

Our reporting currency is the U.S. dollar. However, a portion of gross premiums are written and ceded in currencies other than the U.S. dollar and a portion of gross and ceded loss reserves in currencies other than the U.S. dollar. In addition, a portion of our investment portfolio is denominated in currencies other than the U.S dollar. We may experience losses or gains resulting from fluctuations in the values of these non-U.S. currencies. Although we manage our foreign currency exposure through matching of our major foreign-denominated assets and liabilities, as well as through use of currency derivatives, there is no guarantee that we will successfully mitigate our exposure to foreign exchange losses due to unfavorable currency fluctuations. If we fail to manage our foreign currency exposures or experience unfavorable currency fluctuations due to factors such as political unrest, sovereign debt concerns, inflation or other macro-economic factors in jurisdictions in which we operate our results of operations could be materially adversely impacted.

Liquidity Risk

Liquidity risk is the risk that we may not have sufficient cash to meet our obligations when they are due, or would have to incur excessive costs to do so.

Our underwriting activities may expose us to liquidity risks.

Our exposure to liquidity risk stems mainly from the need to pay claims on potential extreme loss events and regulatory constraints that limit the flow of funds within the Group. We maintain cash and cash equivalents and high quality, liquid securities to meet expected outflows, including outflows that could result from a range of potential stress events. We place internal limits on the maximum percentage of cash and investments that may be in an illiquid form as well as on the minimum percentage of our asset portfolio that must be invested in unrestricted cash and liquid investment grade fixed income securities.

Additionally, we have access to diverse funding sources to cover contingencies. Funding sources include asset sales and external debt issuances, and we may seek to establish additional borrowing facilities to cover such contingencies. We conduct stress tests to ensure the sufficiency of these funding sources in extreme scenarios; however, there remains a risk that in certain circumstances, our results of operations or financial condition may be adversely impacted by our inability to access appropriate liquidity or the cost of doing so.

Credit Risk

Credit risk represents the risk of incurring financial loss due to the diminished creditworthiness (reduced financial strength and, ultimately, possibly default) and concentration of our third-party counterparties (refer to '*Market Risk'* above for a discussion of credit risk as it relates to the investment portfolio).

If we successfully purchase reinsurance, we may be unable to collect amounts due to us.

A reinsurer's insolvency, inability or refusal to make payments under the terms of its reinsurance agreement with us, could have a material adverse effect on our business because we remain liable to the insured. We face counterparty risk whenever we purchase reinsurance or retrocessional reinsurance, and inflation and industry catastrophic losses have heightened this risk as counterparties experience economic strains and uncertainty. Consequently, the insolvency, inability or unwillingness of any of our present or future reinsurers to make timely payments to us under the terms of our reinsurance or retrocessional agreements could have a material adverse effect on our results of operations, financial condition, or liquidity.

Our reliance on brokers subjects us to credit risk.

In accordance with industry practice, we pay amounts owed on claims under our insurance and reinsurance contracts to brokers, and these brokers pay these amounts to clients that have purchased insurance and reinsurance from us. Although the law is unsettled and depends upon the facts and circumstances of the particular case, in some jurisdictions, if a broker fails to make such a payment, we might remain liable to the insured or ceding insurer for the deficiency.

Conversely, in certain jurisdictions, when the insured or ceding insurer pays premiums for these policies to brokers for payment to us, these premiums might be considered to have been paid to us and the insured or ceding insurer will no longer be liable to us for those amounts, whether or not we have actually received the premiums from the broker. Consequently, we assume a degree of credit risk associated with brokers with whom we transact business. These risks are heightened during periods characterized by financial market instability and/or an economic downturn or recession.

Certain of our policyholders and intermediaries may not pay premiums owed to us due to insolvency or other reasons.

Insolvency, liquidity problems, distressed financial conditions or the general macro-economic conditions may increase the risk that policyholders or intermediaries, such as insurance brokers, may not pay a part of or the full amount of premiums owed to us, despite an obligation to do so. The terms of our contracts may not permit us to cancel our insurance even though we have not received payment. If non-payment becomes widespread, due to insolvency, lack of liquidity, adverse economic conditions, operational failure or otherwise, it could have a material adverse impact on our revenues and results of operations.

Operational Risk

Operational risk represents the risk of loss as a result of inadequate processes, system failures, human error or external events, including but not limited to direct or indirect financial loss, reputational damage, customer dissatisfaction, and legal and regulatory penalties.

We rely on our processes, people, and systems to maintain our operations and manage the operational risks inherent to our business. Any errors, omissions or misconduct by our employees or third-party agents in the execution of these processes may result in financial losses.

We rely on the execution of our processes, people, and systems to maintain and execute our operations. We seek to monitor and control our exposure to risks arising from these processes through an enterprise risk management framework, internal controls, management review and other processes. We cannot provide total assurance that these processes will effectively identify or control all risks, or that our employees and third-party agents will effectively execute them. Loss may result from, among other things, actual or alleged fraud; errors; or failure to document transactions properly, obtain proper internal authorization, comply with underwriting or other internal guidelines, or comply with regulatory requirements. Further, we have launched a strategic initiative aimed at improving our operating model. As a result, we are experiencing a significant volume and pace of change activity, which could result in a higher frequency and higher impact of operational errors. In addition, employee turnover (including of employees in senior positions) could increase the risk of operational errors if we fail to effectively transfer roles and responsibilities. These risks could result in losses that adversely affect our business, results of operations, or financial condition. An extended period of remote work arrangements could increase or introduce new operational risk and adversely affect our ability to manage our exposure to risks arising from our internal processes. Furthermore, insurance policies provided by third parties may not cover us if we experience a significant loss from these risks.

If we experience difficulties with technology and/or data security, our ability to conduct our business might be adversely affected.

While technology can streamline many business processes and ultimately reduce the cost of operations, technology initiatives present certain risks. Our business is dependent upon our employees’ and outsourcers’ ability to perform, in an efficient and uninterrupted fashion, necessary business functions such as processing policies and paying claims. A shutdown or inability to access one or more of our outsourcers' facilities, a power outage, or a failure of one or more of our outsourcers' information technology, telecommunications or other systems could significantly impair our ability to perform such functions on a timely basis. If sustained or repeated, such a business interruption, system failure or service denial could result in a deterioration of our ability to write and process business, provide customer service, pay claims in a timely manner or perform other necessary business functions. Despite our robust business continuity plan, which addresses the risk of such business interruption, system failure or service denial with input from both internal and external stakeholders, our systems may still be impacted. Unauthorized access, computer viruses, deceptive communications (phishing), malware, hackers and other external hazards including catastrophe events could expose our data systems to security breaches. These risks could expose us to data loss and damages.

Any of these eventualities could result in a material and adverse effect on our business, results of operations and financial condition.

Like other global companies, we are regularly the target of attempted cyber and other security threats and must continuously monitor and develop our information technology networks and infrastructure to prevent, detect, address and mitigate the risk of threats to our data and systems. These attacks and incidents have included, or may in the future include: unauthorized access, viruses, malware or other malicious code, ransomware, deceptive social engineering campaigns (also known as "phishing" or "spoofing"), loss or theft of assets, employee errors or malfeasance, third-party errors or malfeasance, as well as system failures and other security events. Over time, and particularly recently, the sophistication of these threats continues to increase. While administrative and technical controls, along with other preventive actions, reduce the risk of cyber incidents and protect our information technology, they may be insufficient to thwart cyber-attacks and/or prevent other security breaches to our systems.

While we have not experienced a recent disruption or security breach, to the extent any such disruption or breach results in a loss or damage to our data, or inappropriate disclosure of our confidential information or that of others, it could impact our operations, cause significant damage to our reputation, affect our relationships with our customers and clients, lead to claims against us under various data privacy laws, result in regulatory action and ultimately have a material adverse effect on our business or operations. In addition, although we purchase limited cyber insurance, we may incur significant costs not covered by our cyber insurance, including costs to mitigate the damage caused by any security breach, address any interruptions in our business or protect against future damage.

We also operate in a number of jurisdictions with strict data privacy and other related laws, which could be violated in the event of a significant cybersecurity incident, or by personnel. Failure to comply with these obligations can give rise to monetary fines and other penalties that could be material.

Our business may be adversely affected if third-party service providers fail to satisfactorily perform certain technology and business process functions.

We outsource certain technology and business process functions to third parties. If we do not effectively develop and implement our outsourcing strategy, or if third-party service providers do not perform as anticipated or we experience technological or other problems with a transition to a third-party service provider, we may not realize productivity improvements or cost efficiencies and may experience operational difficulties, increased costs and a loss of business. In addition, our outsourcing of certain technology and business process functions to third parties may expose us to enhanced risk related to data security, which could result in monetary and reputational damages. In addition, our ability to receive services from third-party providers could be impacted by political instability or unanticipated regulatory requirements which in turn could materially adversely affect our ability to conduct our business.

Regulatory Risk

Regulatory risk represents the risk arising from our failure to comply with legal, statutory or regulatory obligations.

Compliance with data protection and privacy laws and regulations governing the processing of personal data and information is a legal requirement, and non-compliance may impede our services or result in increased costs. Failure to comply could result in material fines and/or penalties imposed by data protection and/or financial services regulators. In addition, any data breach may have an adverse effect on our reputation, results of operations or financial condition, or have other adverse consequences.

Our business relies on the processing of data in many jurisdictions and the movement of data across national borders. The collection, storage, handling, disclosure, use, transfer and security of personal information that occurs in connection with our business is subject to federal, state and foreign data privacy laws. These legal requirements are not uniform and continue to evolve, and regulatory scrutiny in this area is increasing around the world. In many cases, these laws apply not only to third-party transactions, but also to transfers of information within the Group. Privacy and data protection laws may be interpreted and applied differently from country to country and may create inconsistent or conflicting requirements.

The General Data Privacy Regulation ("GDPR") has extra-territorial effect. It requires all companies processing data of E.U. citizens to comply with the GDPR, regardless of the company's location, and also imposes obligations on E.U. companies processing data of non-E.U. citizens. In particular, the GDPR imposes requirements regarding the processing of personal data and confers new rights on data subjects, including rights of access to their personal data, deletion of their personal data, the "right to be forgotten" and the right to "portability" of personal data. In the U.K., the Data Protection Act 2018 and the U.K. General Data Protection Regulation, which is the retained E.U. law version of the GDPR by virtue of the European Union (Withdrawal) Act 2018 and as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (E.U. Exit) Regulations 2019 (collectively, "U.K. GDPR"), regulates data protection for all individuals within the U.K. and applies to all our subsidiaries operating in the U.K. On September 1, 2023, Switzerland's revised Federal Act on Data Protection ("FADP"") came into effect, which like other privacy laws grants Swiss citizens privacy rights.

The California Consumer Privacy Act ("CCPA") effective on January 1, 2020 confers rights on California residents including rights to know what personal information is collected about them and whether their personal information is sold (and if so, to whom), to access any personal information that has been collected and to require a business to delete their personal information. The California Privacy Rights Act ("CPRA") took effect on January 1, 2023 with a "look back" to January 1, 2022, meaning that data collected in the 2022 calendar year became subject to the terms of the CPRA beginning on January 1, 2023. The California Privacy Protection Agency ("CPPA") also promulgated CPRA regulations that will become enforceable on March 29, 2024. The CCPA is expected to promulgate further CPRA regulations in the near future. The CPRA will work as an addendum to the CCPA, strengthening the rights of California residents, tightening business regulations on the use of personal information and establishing the CPPA as the state-wide data privacy enforcer. Washington state also passed the My Health My Data act ("MHMD"), which comes into effect March 29, 2024. MHDA is limited to certain health data, but individuals in Washington will have similar privacy rights for some health data that is covered under this law. Overall, in the US, there continues to be a lot of changes in the data protection and privacy landscape, which we continue to expect next year. As states continue to focus on data protection, our compliance burden may increase.

Compliance with the enhanced obligations imposed by data protection and other legislation, including Singapore's amended Personal Data Protection Act, Bermuda's Personal Information Protection Act, and Quebec's Law 25, requires investment in appropriate technical or organizational measures to safeguard the rights and freedoms of data subjects. Such investment may result in significant costs to our business and may require us to modify certain of our business practices. In addition, enforcement actions, investigations and the imposition of substantial fines and penalties by regulatory authorities as a result of data security incidents and privacy violations have increased dramatically over the past several years. The enactment of more restrictive laws, rules, regulations or future enforcement actions or investigations could impact us through increased costs or restrictions on our business, and noncompliance could result in regulatory penalties and significant legal liability.

Unauthorized disclosure or transfer of sensitive or confidential client or Company data, whether through systems failure, employee negligence, fraud or misappropriation, by the Company or other parties with whom we do business, could also subject us to significant litigation, monetary damages, regulatory enforcement actions, fines and criminal prosecution in one or more jurisdictions. Such events could also result in negative publicity and damage to our reputation and cause us to lose business, which could therefore have a material adverse effect on our results of operations or financial condition.

Our insurance and reinsurance subsidiaries are subject to supervision and regulation. Changes to existing regulation and supervisory standards, or failure to comply with them, could have an adverse effect on our business, results of operations and financial condition, or result in negative publicity, reputational damage or harm to our relationships.

Our insurance and reinsurance subsidiaries conduct business globally and are subject to varying degrees of regulation and supervision in multiple jurisdictions. In particular, in the U.K., Lloyd's has supervisory powers that pose unique regulatory risks. The laws and regulations of the jurisdictions and markets, including Lloyd's, in which our insurance and reinsurance subsidiaries are domiciled or operate require, among other things, that our subsidiaries maintain minimum levels of statutory capital and liquidity, meet solvency standards, participate in guaranty funds and submit to periodic examinations of their financial condition and compliance with underwriting and other regulations. These laws and regulations also limit or restrict payments of dividends and reductions in capital. Statutes, regulations and policies may also restrict the ability of these subsidiaries to write insurance and reinsurance contracts, make certain investments and distribute funds. The purpose of insurance laws and regulations generally is to protect insureds and ceding insurance companies, not our shareholders. We may not be able to comply fully with, or obtain appropriate exemptions from, these laws and regulations, which could result in restrictions on our ability to do business or undertake activities that are regulated in one or more of the jurisdictions in which we conduct business and could subject us to fines and other sanctions. In addition, changes in the laws or regulations to which our insurance and reinsurance subsidiaries are subject or in the interpretation thereof by enforcement or regulatory agencies could impact the competitive market, as well as the way we conduct our business and manage our capital, resulting in lower revenues and higher costs. This in turn could have a material adverse effect on our business, results of operations and financial condition. The rate of legal and regulatory change, particularly in the UK and Ireland, has been increasing in recent years, with initiatives such as Consumer Duty in the UK and the Individual Accountability Framework in Ireland adding to the regulatory burden on our operating entities. Further to this, increased regulatory scrutiny in the form of reviews and inspections can put a strain on our resources.

Insurance regulatory authorities have broad authority to initiate investigations or other proceedings, and, in connection with a failure to comply with applicable laws and regulations, could impose adverse consequences, including fines, penalties, injunctions, denial or revocation of an operating license or approval, increased scrutiny or oversight, limitations on engaging in a particular business, or redress to clients. Further to this, regimes such as the Senior Managers and Certification Regime in the UK, and the Individual Accountability Regime in Ireland, place personal responsibility on key members of senior staff and Board members, meaning the regulators can take action directly against these individuals as well. These actions also could result in negative publicity, reputational damage or harm to client, employee or other relationships.

Potential government intervention in our industry as a result of recent events and instability in the marketplace for insurance products could hinder our flexibility and negatively affect the business opportunities that may be available to us in the market.

Government intervention and the possibility of future government intervention have created uncertainty in insurance and reinsurance markets. Government and regulators generally require insurers and reinsurers to have high solvency ratios and localized capital to ensure the protection of policyholders to the possible detriment of other constituents, including shareholders of insurers and reinsurers. Government, regulatory and judicial actions across multiple jurisdictions in relation to business interruption insurance have exacerbated the uncertainty by altering the interpretation of our contracts or extending or changing coverage (beyond the obligations set forth within those contracts or beyond what was intended by the parties).

Certain U.S. and non-U.S. judicial and regulatory authorities, including U.S. Attorneys offices and certain state attorneys general, occasionally commence investigations into business practices in the insurance industry. In addition, although the U.S. federal government has not historically regulated insurance, there have been proposals from time to time to impose federal regulation on the U.S. insurance industry. Further, Dodd-Frank gives the Federal Reserve supervisory authority over certain U.S. financial services companies, including insurance companies, if they are designated as 'systemically important' by a two-thirds vote of a Financial Stability Oversight Council. While we do not believe that we are systemically important, as defined in Dodd-Frank, Dodd-Frank or additional federal or state regulation that is adopted in the future could impose significant burdens on us, impact the ways in which we conduct our business and govern our subsidiaries, increase compliance costs, increase the levels of capital required to operate our subsidiaries, duplicate state regulation and/or result in a competitive disadvantage.

Our European insurance and reinsurance entities are subject to local laws that implement the Solvency II Directive. Solvency II covers three main areas: (i) the valuation of assets and liabilities on a Solvency II economic basis and risk-based solvency and capital requirements; (ii) governance requirements including requirements relating to the key functions of compliance, internal audit, actuarial and risk management; and (iii) new supervisory legal entity and group reporting and disclosure requirements including public disclosures. In the lead-up to Brexit, the U.K. government onshored all Solvency II legislation into U.K. law. However, the U.K. is now seeking to make wholesale changes to its Solvency II regime, and is consulting with the industry on these proposed changes, which are due to come into effect for financial year ending December 31, 2024. The European Commission has not granted the U.K. Solvency II equivalence and is unlikely to do so in light of upcoming changes. The European Commission is also reviewing its Solvency II regime, with trialogue negotiations commencing in September 2023. Changes to the European Solvency II regime are not expected imminently.

While we cannot predict the exact nature, timing or scope of possible governmental initiatives, such proposals could materially adversely affect our business by, among other things:

- Providing reinsurance capacity in markets and to consumers that we target;
- Requiring our further participation in industry pools and guaranty associations;
- Expanding the scope of coverage under existing policies; e.g., following large disasters;
- Further regulating the terms of insurance and reinsurance contracts; or
- Disproportionately benefiting the companies of one country over those of another.

Our business is subject to certain laws and regulations relating to sanctions and foreign corrupt practices, the violation of which could have a material adverse effect on our financial condition and operating results.

We must comply with all applicable economic and financial sanctions, other trade controls and anti-bribery laws and regulations of the U.S. and other foreign jurisdictions where we operate, including Bermuda, the U.K. and the European Union. U.S. laws and regulations applicable to us include the economic trade sanctions laws and regulations administered by the U.S. Department of Treasury's Office of Foreign Assets Control as well as certain laws administered by the U.S. Department of State. These laws and regulations are complex, frequently changing, and increasing in number, and they may impose additional prohibitions or compliance obligations on our dealings in certain countries and territories, including sanctions imposed on Russia and certain Ukraine territories. In addition, we are subject to the Foreign Corrupt Practices Act and other anti-bribery laws, such as the Irish Criminal Justice (Corruption Offences) Act, the Bermuda Bribery Act and the U.K. Bribery Act, which generally bar corrupt payments or unreasonable gifts. Although we have policies and controls in place that are designed to ensure compliance with these laws and regulations, it is possible that an employee or an agent acting on our behalf could fail to comply with applicable laws and regulations and, due to the complex nature of the risks, it may not always be possible for us to ascertain compliance with such laws and regulations. In such event, we could be exposed to civil penalties, criminal penalties and other sanctions, including fines or other unintended punitive actions. In addition, such violations could damage our business and/or our reputation. All of the foregoing could have a material adverse effect on our financial condition and operating results.

Risks Related to the Ownership of our Securities

In addition to the risks to our business listed above, there are certain other risks related to the ownership of our securities.

The price of our common shares may be volatile.

There has been significant volatility in the market for equity securities in recent years. During 2023, 2022, and 2021 the closing price of our common shares fluctuated from a low of $51.68 to a high of $63.47, a low of $48.77 to a high of $60.66, and a low of $44.93 to a high of $57.93, respectively. The price of our common shares may not remain at or exceed current levels. The following factors, in addition to those described in other risk factors above, may have a material adverse effect on the market price of our common stock:

- actual or anticipated variations in our quarterly results, including as a result of catastrophes or our investment performance;
- any share repurchase program;
- changes in market valuation of companies in the insurance/reinsurance industry;
- changes in expectations of future financial performance or changes in estimates of securities analysts;

- fluctuations in stock market processes and volumes;
- issuances or sales of common shares or other securities in the future;
- the addition or departure of key personnel;
- changes in tax law; and
- announcements by us or our competitors of acquisitions, investments or strategic alliances.

Stock markets in the U.S. continue to experience volatile price and volume fluctuations. Such fluctuations, as well as the general political situation, current economic conditions or interest rate or currency rate fluctuations, could materially adversely affect the market price of our stock.

Our ability to pay dividends and to make payments on indebtedness may be constrained by our holding company structure.

AXIS Capital is a holding company and has no direct operations of its own. AXIS Capital has no significant operations or assets other than its ownership of the shares of its operating insurance and reinsurance subsidiaries, AXIS Specialty Bermuda, AXIS Re SE, AXIS Specialty Europe SE, the Members of Lloyd's (AXIS Corporate Capital UK Limited and AXIS Corporate Capital UK II Limited), AXIS Re U.S., AXIS Specialty U.S., AXIS Surplus and AXIS Insurance Co. (collectively, our "Insurance Subsidiaries"). Dividends and other permitted distributions from our Insurance Subsidiaries (in some cases through our subsidiary holding companies) are our primary source of funds to meet ongoing cash requirements, including debt service payments and other expenses, and to pay dividends to our shareholders. Our Insurance Subsidiaries are subject to significant regulatory restrictions limiting their ability to declare and pay dividends and make distributions. In addition, the ability of our Insurance Subsidiaries to pay dividends to AXIS Capital could be constrained by our dependence on financial strength ratings from independent rating agencies. Our ratings from these agencies depend to a large extent on the capitalization levels of our Insurance Subsidiaries. The inability of our Insurance Subsidiaries to pay dividends in an amount sufficient to enable us to meet our cash requirements at the holding company level could have a material adverse effect on our business and our ability to pay dividends and make payments on our indebtedness.

AXIS Capital is a Bermuda company and it may be difficult to enforce judgments against it or its directors and executive officers.

AXIS Capital is incorporated pursuant to the laws of Bermuda, and our business is based in Bermuda. In addition, some of our directors and officers reside outside the U.S., and all or a substantial portion of our assets and the assets of such persons are located in jurisdictions outside the U.S. As a result, it may be difficult or impossible to effect service of process within the U.S. upon us or those persons or to recover against us or them on judgments of U.S. courts, including judgments predicated upon civil liability provisions of the U.S. federal securities laws. Further, it may not be possible to bring a claim in Bermuda against us or our directors and officers for violation of U.S. federal securities laws because these laws may not have extraterritorial effect and/or may not be enforceable in Bermuda. A Bermuda court may, however, impose civil liability, including the possibility of monetary damages, on us or our directors and officers in a suit brought in the Supreme Court of Bermuda if the Bermuda court considers that it has jurisdiction to hear and decide any such claim.

There are provisions in our organizational documents that may reduce or increase the voting rights of our shares.

Our bye-laws generally provide that shareholders have one vote for each common share held by them and are entitled to vote, on a non-cumulative basis, at all meetings of shareholders. However, the voting rights exercisable by a shareholder may be limited so that certain persons or groups are not deemed to hold 9.5% or more of the voting power conferred by our shares. Under these provisions, some shareholders may have the right to exercise their voting rights limited to less than one vote per share. Moreover, these provisions could have the effect of reducing the voting power of some shareholders who would not otherwise be subject to the limitation by virtue of their direct share ownership. In addition, our Board of Directors may limit a shareholder’s exercise of voting rights where it deems it necessary to do so to avoid adverse tax, legal or regulatory consequences.

We also have the authority under our bye-laws to request information from any shareholder for the purpose of determining whether a shareholder’s voting rights are to be limited pursuant to the bye-laws. If a shareholder fails to respond to our request for information or submits incomplete or inaccurate information in response to a request by us, we may, in our sole discretion, eliminate the shareholder’s voting rights.

There are provisions in our bye-laws that may restrict the ability to transfer common shares and which may require shareholders to sell their common shares.

Our bye-laws provide that our Board of Directors may decline to register a transfer of any common shares under certain circumstances, including if the Board has reason to believe that any non-de minimis adverse tax, regulatory or legal consequences to us, any of our subsidiaries or any of our shareholders may occur as a result of such transfer. Our bye-laws also provide that if our Board of Directors determines that share ownership by a person may result in non-de minimis adverse tax, legal or regulatory consequences to us, any of our subsidiaries or any of our shareholders, then we have the option, but not the obligation, to require such person to sell to us or to third parties to whom we assign the repurchase right for fair value the minimum number of common shares held by such person that is necessary to eliminate the non-de minimis adverse tax, legal or regulatory consequences.

Applicable insurance laws may make it difficult to effect a change of control of our company.

Before a person can acquire control of a U.S. insurance company, prior written approval must be obtained from the insurance commissioner of the state where the domestic insurer is domiciled. Prior to granting approval of an application to acquire control of a domestic insurer, the state insurance commissioner will consider such factors as the financial strength of the acquirer, the integrity and management of the acquirer's board of directors and executive officers, the acquirer's plans for the future operations of the domestic insurer and any anti-competitive results that may arise from the consummation of the acquisition of control. Generally, state statutes provide that control over a domestic insurer is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, 10% or more of the voting securities of the domestic insurer. Because a person acquiring 10% or more of our common shares would indirectly control the same percentage of the stock of the AXIS U.S. Subsidiaries, the insurance change of control laws of Connecticut, Illinois and New York would likely apply to such a transaction.

The Insurance Act in Bermuda requires that where the shares of a registered insurer or reinsurer, or the shares of its parent, are traded on a recognized stock exchange, and a person becomes a 10%, 20%, 33% or 50% shareholder controller of that insurer or reinsurer, that person shall, within 45 days, notify the BMA in writing that they have become such a controller. In addition, a person who is a shareholder controller of a Class 4 insurer or reinsurer (such as AXIS Specialty Bermuda) whose shares or shares of its parent company are traded on a recognized stock exchange must serve the BMA with a notice in writing that they have reduced or disposed of their holding in the insurer or reinsurer where the proportion of voting rights in the insurer or reinsurer held by them will have reached or has fallen below 10%, 20%, 33% or 50%, as the case may be, not later than 45 days after such reduction or disposal. The definition of shareholder controller is set out in the Insurance Act but generally refers to a person who (i) holds 10% or more of the shares carrying rights to vote at a shareholders' meeting of the registered insurer or reinsurer or its parent; (ii) is entitled to exercise, or control the exercise of, 10% or more of the voting power at any shareholders meeting of the registered insurer or reinsurer or its parent; or (iii) is able to exercise significant influence over the management of the registered insurer or reinsurer or its parent by virtue of its shareholding or its entitlement to exercise, or control the exercise of, the voting power at any shareholders' meeting of the registered insurer or reinsurer or its parent company. The BMA may object to any person holding 10% or more of our common shares if it appears to the BMA that such person is not, or is no longer, a fit and proper person to be such a holder. In such a case, the BMA may require the shareholder to reduce its holding of common shares or direct, among other things, that voting rights attaching to the common shares shall not be exercisable. A person who does not comply with such a notice or direction from the BMA may be guilty of an offense and subject to a variety of enforcement actions.

In addition, the Insurance Acts and Regulations in Ireland require that anyone acquiring or disposing of a direct or indirect holding in an Irish authorized insurance or reinsurance company (such as AXIS Specialty Europe or AXIS Re SE) that represents 10% or more of the capital or of the voting rights of such company or that makes it possible to exercise a significant influence over the management of such company, or anyone who proposes to decrease or increase that holding to specified levels, must first notify the Central Bank of Ireland ("CBI") of their intention to do so. They also require any Irish authorized insurance or reinsurance company that becomes aware of any acquisitions or disposals of its capital involving the specified levels to notify the CBI. The specified levels are 20%, 33% and 50% or such other level of ownership that results in the company becoming the acquirer's subsidiary within the meaning of article 20 of the European Communities (Non-Life Insurance) Framework Regulations 1994.

The CBI has three months from the date of submission of a notification within which to oppose the proposed transaction if the CBI is not satisfied as to the suitability of the acquirer in view of the necessity "to ensure prudent and sound management of the insurance or reinsurance undertaking concerned". Any person owning 10% or more of the capital or voting rights or an amount that makes it possible to exercise a significant influence over the management of AXIS Capital would be considered to have a "qualifying holding" in AXIS Specialty Europe SE and AXIS Re SE.

In the U.K., the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA") regulate the acquisition of "control" of any U.K. insurance companies and Lloyd's managing agents that are authorized under the Financial Services and Markets Act 2000 ("FSMA"). Any legal entity or individual that (together with any person with whom it or they are "acting in concert") directly or indirectly acquires 10% or more of the shares in a U.K. authorized insurance company or Lloyd's managing agent, or their parent company, or is entitled to exercise or control the exercise of 10% or more of the voting power in such authorized insurance company or Lloyd's managing agent or their parent company, would be considered to have acquired "control" for the purposes of the relevant legislation, as would a person who had significant influence over the management of such authorized insurance company or their parent company by virtue of their shareholding or voting power in either. A purchase of 10% or more of the ordinary shares of the Company would therefore be considered to have acquired "control" of AXIS Managing Agency Ltd. Under FSMA, any person proposing to acquire "control" over a U.K. authorized insurance company must give prior notification to the PRA of their intention to do so. The PRA, which will consult with the FCA, would then have 60 working days to consider that person's application to acquire "control" (although this 60 working day period can be extended by up to 30 additional working days in certain circumstances where the regulators have questions relating to the application). Failure to make the relevant prior application could result in action being taken against AXIS Managing Agency Ltd. by the PRA.

A person who is already deemed to have "control" will require prior approval of the PRA if such person increases their level of "control" beyond certain percentages. These percentages are 20%, 30% and 50%. Similar requirements apply in relation to the acquisition of control of a U.K. authorized person which is an insurance intermediary (such as AXIS Underwriting Limited) except that the approval must be obtained from the FCA rather than the PRA and the threshold triggering the requirement for prior approval is 20% of the shares or voting power in the insurance intermediary or its parent company. The approval of the Council of Lloyd's is also required in relation to the change of control of a Lloyd's managing agent or member. Broadly, Lloyd's applies the same tests in relation to control as are set out in the FSMA (see above) and in practice coordinates its approval process with that of the PRA.

While our bye-laws limit the voting power of any shareholder to less than 9.5%, there can be no assurance that the applicable regulatory body would agree that a shareholder who owned 10% or more of our shares did not, because of the limitation on the voting power of such shares, control the applicable Insurance Subsidiary. These laws may discourage potential acquisition proposals and may delay, deter or prevent a change of control of the Company, including transactions that some or all of our shareholders might consider to be desirable.

Anti-takeover provisions in our bye-laws could impede an attempt to replace our directors or to effect a change in control, which could diminish the value of our common shares.

Our bye-laws contain provisions that may make it more difficult for shareholders to replace our directors and could delay or prevent a change of control that a shareholder might consider favorable. These provisions include a staggered board of directors (in which the directors of the class elected at each annual general meeting holds office for a term of three years, with the term of each class expiring at successive annual general meetings of shareholders), limitations on the ability of shareholders to remove directors other than for cause, limitations on voting rights and restrictions on transfer of our common shares. These provisions may prevent a shareholder from receiving the benefit from any premium over the market price of our shares offered by a bidder in a potential takeover. Even in the absence of an attempt to effect a change in management or a takeover attempt, these provisions may adversely affect the prevailing market price of our shares if they are viewed as discouraging takeover attempts in the future.

Risks Related to Taxation

Changes in tax laws resulting from the recommendations of the Organization for Economic Corporation and Development ("OECD") could materially adversely affect us.

The OECD launched a global initiative among member and non-member countries on measures to limit harmful tax competition, known as the "Base Erosion and Profit Shifting" ("BEPS") project and, in 2015, published reports containing a suite of recommended actions. These measures are largely directed at counteracting the effects of low-tax and preferential tax regimes in countries around the world, including expanding the definition of permanent establishment and updating the rules for attributing profits to permanent establishments, tightening transfer pricing rules to ensure that outcomes are in line with value creation, neutralizing the effect of hybrid financial instruments and limiting the deductibility of interest costs for tax purposes and preventing double tax treaty abuse. Many countries have changed or announced future changes to their tax laws in response to the BEPS project. On May 31, 2019, the OECD published a "Programme of Work", designed to address the tax challenges created by an increasingly digitalized economy. This was divided into two pillars. The first pillar addresses the broader challenge of a digitalized economy and focuses on the allocation of group profits among taxing jurisdictions, based on a market-based concept rather than the historical "permanent establishment" concept ("Pillar One"). The second pillar addresses the remaining BEPS risk of profit shifting to entities in low tax jurisdictions by introducing a global minimum tax ("Pillar Two").

Pillar One

On October 11, 2023, the members of the OECD/G20 Inclusive Framework on BEPS (the "Inclusive Framework") published a multilateral convention to implement rules which coordinate a reallocation of taxing rights to market jurisdictions in accordance with Pillar One. Pillar One is expected to apply to groups with adjusted revenues in excess of €20 billion and specific exemptions have been incorporated in the multilateral convention for regulated financial institutions. The application of the multilateral convention on Pillar One is therefore not expected to have a material impact on our effective tax rate, however these rules remain subject to ongoing negotiation and implementation.

Pillar Two

On December 20, 2021, the OECD released proposed model legislation for Pillar Two which was approved by 135 countries (the "Model Rules"). The Model Rules included a set of rules, principally the income inclusion rule and undertaxed payments rules, which together have the intended effect of imposing a minimum tax rate of 15% on multinational groups with revenues in excess of €750 million. Additionally, the Model Rules anticipated the implementation of qualifying domestic top-up taxes ("QDMTT") in local jurisdictions. Broadly, these QDMTTs are intended to provide jurisdictions with the right to charge top-up taxes on entities located in that jurisdiction if those entities have an effective tax rate of less than 15%. The Model Rules are currently in the process of being implemented into domestic legislation by members of the Inclusive Framework, including the member states of the EU and the UK, with effect for accounting periods starting on or after December 31, 2023. Further, a number of jurisdictions have implemented QDMTTs into domestic legislation but these taxes remain subject to a multilateral review process which is subject to ongoing development.

Although domestic legislation implemented to effect the Model Rules is not applicable for the current accounting period, we operate in jurisdictions which intend to enact (or have enacted) such legislation. Responses to Pillar Two by various jurisdictions in which we operate will have a material effect on our future global effective tax rate and will result in a material compliance burden with ongoing monitoring and filing requirements.

We may be liable to tax under the Corporate Income Tax Act 2023 of Bermuda, which may have an adverse effect on our results of operations.

The Bermuda Minister of Finance, under the Exempted Undertakings Tax Protection Act 1966 of Bermuda, as amended, has given each of our Bermuda resident companies an assurance that if any legislation is enacted in Bermuda that would impose tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax will not be applicable to our Bermuda resident companies or any of their respective operations, shares, debentures or other obligations until March 31, 2035.

Notwithstanding the above, on December 27, 2023, the Bermuda government enacted a corporate income tax which will apply for accounting periods starting on or after January 1, 2025. Importantly, under the Corporate Income Tax Act 2023 of Bermuda, any liability to the tax will apply regardless of any assurances previously provided under the Exempted Undertakings Tax Protection Act 1966 of Bermuda. This tax will likely have a material impact on our effective tax rate.

Broadly, the Bermuda corporate income tax is intended to be treated as a covered tax for the purposes of Pillar Two and therefore no double taxation is expected to arise from these rules and the top-up taxes under Pillar Two in other jurisdictions. However, the treatment of the Bermuda corporate income tax as a covered tax is subject to interpretation in other jurisdictions and therefore remains uncertain at this time. If the Bermuda corporate income tax is not regarded as a covered tax for the purposes of Pillar Two in other jurisdictions, this may have a material impact on our future effective tax rate.

Our non-U.S. companies may be subject to U.S. tax that may have an adverse effect on our results of operations.

We intend to manage our business so that each of our non-U.S. companies, apart from our Lloyd's operations with U.S. effectively connected income, will operate in such a manner that none of these companies should be subject to U.S. tax (other than U.S. excise tax on insurance or reinsurance premiums attributable to insuring or reinsuring U.S. risks and U.S. withholding tax on some types of U.S. source investment income), because none of these companies should be treated as engaged in a trade or business within the U.S. However, because there is considerable uncertainty as to the activities that constitute being engaged in a trade or business within the U.S., we cannot be certain that the U.S. Internal Revenue Service will not contend successfully that any of our non-U.S. companies is/are engaged in a trade or business in the U.S. If any of our non-U.S. companies were considered to be engaged in a trade or business in the U.S., it could be subject to U.S. corporate income and additional branch profits taxes on the portion of its earnings effectively connected to such U.S. business. If this were to be the case, our results of operations could be materially adversely affected.

Changes in U.S. tax law could adversely affect us.

The tax treatment of non-U.S. companies and their U.S. and non-U.S. subsidiaries may be the subject of future legislation. We cannot predict the particulars of any proposed legislation, or whether such legislation would have any effect on us. Future legislation in the U.S. may arise in an effort to harmonize US tax law with OECD Pillar Two initiatives. No assurance may be given that future legislative, administrative, or judicial developments will not produce an adverse U.S. tax consequence to us. If any such adverse developments do occur, our results of operations may be materially adversely affected.

Our non-U.K. companies may be subject to U.K. tax that may have an adverse effect on our results of operations.

We intend to operate in such a manner so that none of our non-U.K. companies are resident in the U.K. for tax purposes and that none of our non-U.K. resident companies, other than AXIS Specialty Europe and AXIS Specialty U.S. Services, Inc., have a permanent establishment in the U.K. Accordingly, we expect that none of our non-U.K. resident companies, other than AXIS Specialty Europe and AXIS Specialty U.S. Services, Inc., will be subject to U.K. tax. Nevertheless, because neither case law nor U.K. statutes conclusively define the activities that constitute trading in the U.K. through a permanent establishment, the U.K. tax authority might contend successfully that one or more of our non-U.K. companies, in addition to AXIS Specialty Europe and AXIS Specialty U.S. Services, Inc., is trading in the U.K. through a permanent establishment in the U.K. and therefore subject to U.K. tax.

In addition, there are circumstances in which companies that are neither resident in the U.K., nor entitled to the protection afforded by a double tax treaty between the U.K. and the jurisdiction in which they are resident, may be exposed to income tax in the U.K. (other than by deduction or withholding) on the profits of a trade carried on there even if that trade is not carried on through a permanent establishment. We intend to operate in such a manner that none of our companies will be subject to U.K. income tax in this respect.

If any of our non-U.K. resident companies were treated as being resident in the U.K. for U.K. corporation tax purposes, or if any of our non-U.K. companies, other than AXIS Specialty Europe or AXIS Specialty U.S. Services, Inc., were to be treated as carrying on a trade in the U.K., whether or not through a permanent establishment, our results of operations could be materially adversely affected.

The U.K. diverted profits tax ("DPT") is separate from U.K. corporation tax and is charged at a higher rate. It is an anti-avoidance measure aimed at protecting the U.K. tax base against the artificial diversion of profits that are being earned by activities carried out in the U.K. but which are not otherwise being taxed in the U.K., in particular as a result of arrangements between companies in the same multinational group. The U.K. network of double tax treaties does not offer protection from a DPT charge. In the event that the rules apply to certain arrangements, upfront payment of the U.K. tax authority’s estimate of the deemed tax liability may be required. If any of our non-U.K. companies is liable to DPT, our results could be materially adversely affected.

In accordance with the Model Rules on Pillar Two, the U.K. government has enacted legislation to implement a QDMTT which seeks to ensure that U.K. tax resident companies have an effective tax rate in excess of 15% (broadly, this is determined in line with effective tax rates under the Model Rules on Pillar Two). Therefore, if our U.K. tax resident companies have an effective tax rate of less than 15%, the QDMTT may adversely affect our results.

Changes in U.K. tax law could adversely affect us.

AXIS Specialty Europe, AXIS Specialty U.S. Services, Inc. and our U.K. resident companies are treated as taxable in the U.K. On October 14, 2022, the U.K. government increased its corporate tax rate from 19% to 25% with effect from April 1, 2023. Future changes in the basis or rate of U.K. corporation tax could materially adversely affect the operations of these companies.

Our non-Irish companies may be subject to Irish tax that may have an adverse effect on our results of operations.

We intend to operate our non-Irish resident companies in such a manner so that none of our non-Irish resident companies are resident in Ireland for tax purposes and are not treated as carrying on a trade through a branch or agency in Ireland.

Accordingly, we expect that none of our non-Irish resident companies will be subject to Irish corporation tax. Nevertheless, since the determination as to whether a company is resident in Ireland is a question of fact to be determined based on a number of different factors and since neither case law nor Irish legislation conclusively defines the activities that constitute trading in Ireland through a branch or agency, the Irish Revenue Commissioners might contend successfully that one or more of our non-Irish companies is resident in or otherwise trading through a branch or agency in Ireland and therefore subject to Irish corporation tax. If this were the case, our results of operations could be materially adversely affected.

In accordance with the Model Rules on Pillar Two, the Irish government has enacted legislation to implement a QDMTT which seeks to ensure that Irish tax resident companies have an effective tax rate in excess of 15%. Therefore, if our Irish tax resident companies have an effective tax rate of less than 15%, the QDMTT may adversely affect our results.

Changes in Irish tax law could adversely affect us.

Trading income derived from the insurance and reinsurance business carried on in Ireland by AXIS Specialty Europe and AXIS Re SE is generally taxed in Ireland at a rate of 12.5%. Over the past number of years, various E.U. member states have, from time to time, called for harmonization of the corporate tax base within the E.U. Ireland, along with other member states, has consistently resisted any movement towards standardized corporate tax rates or tax base in the E.U. The Government of Ireland has also made clear its commitment to retain the 12.5% rate of corporation tax. If, however, tax laws in Ireland change so as to increase the general corporation tax rate, our results of operations could be materially adversely affected. Irish profits would become subject to the 15% global minimum tax rate pursuant to the European Commission Directive discussed above.

If investments held by AXIS Specialty Europe SE or AXIS Re SE are determined not to be integral to the insurance and reinsurance business carried on by those companies, additional Irish tax could be imposed and our business and financial results could be adversely affected.

Based on administrative practice, taxable income derived from investments made by AXIS Specialty Europe and AXIS Re SE is generally taxed in Ireland at the rate of 12.5% on the grounds that such investments either form part of the permanent capital required by regulatory authorities, or are otherwise integral to the insurance and reinsurance business carried on by those companies. AXIS Specialty Europe and AXIS Re SE intend to operate in such a manner so that the level of investments held by such companies does not exceed the amount that is integral to the insurance and reinsurance business carried on by AXIS Specialty Europe and AXIS Re SE. If, however, investment income earned by AXIS Specialty Europe or AXIS Re SE is deemed to be non-trading income, Irish corporation tax could apply to such investment income at a rate higher than the general 12.5% rate, and our results of operations could be materially adversely affected.

Changes in tax laws resulting from the proposals included in the European Commission's draft third Anti-Tax Avoidance Directive ("ATAD III") could materially adversely affect us.

The E.U. has sought to harmonize the response of member states to the BEPS reports via the Anti-Tax Avoidance Directives ("the ATAD and the ATAD II"). The ATAD and the ATAD II require all E.U. member states to apply certain specified anti-avoidance measures, including a controlled foreign companies regime, limitations on interest deduction and anti-hybrid rules. On December 22, 2021, the European Commission proposed and issued a draft third directive (ATAD III) which aims to combat the abuse of investment structures that do not carry out actual economic activities, specifically "shell companies". ATAD III proposes to introduce a minimum substance test and reporting requirements for multinational groups to identify "shell companies". However, ATAD III must be unanimously agreed between EU Member States and remains subject to negotiation and opposition by certain EU Member States. Changes to tax laws and additional reporting requirements could increase the tax burden and the complexity and cost of tax compliance.

Our operations may be adversely affected by a transfer pricing adjustment in computing taxable profits.

Any affiliated arrangements between contracting parties established in different jurisdictions are subject to transfer pricing regimes. Consequently, if any arrangement (including any reinsurance or financing arrangements) is found not to be on arm's length terms, an adjustment will be required to compute taxable profits as if the arrangement were on arm's length terms. Any transfer pricing adjustment could materially adversely impact the tax charge suffered by the relevant tax-paying company.

Effective January 1, 2016, Bermuda implemented country by country reporting ("CBCR") whereby multinational groups are required to report details of their operations and intra-group transactions in each jurisdiction. It is possible that our approach to transfer pricing may become subject to greater scrutiny from the tax authorities in the jurisdictions in which we operate, which may lead to transfer pricing audits in the future.

General Risk Factors

Future changes in accounting standards may adversely impact our reported financial results.

Future changes in accounting standards and regulatory changes may result in significant additional expenses in order to implement and comply with any new requirements. In addition, such changes may require modifications to our accounting principles, which in turn could adversely affect our reported financial results. For example, this could occur if we are required to prepare information relating to prior periods or if we are required to apply new requirements retroactively.

ITEM 1B. UNRESOLVED STAFF COMMENTS

At December 31, 2023, we had no outstanding, unresolved comments from the SEC staff.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

The Company's information risk management program is designed to protect the confidentiality of nonpublic, sensitive information and the integrity and availability of our information systems. The program includes policies and procedures that identify how security measures and controls are developed, implemented, and maintained. We have designed our enterprise-wide information security program consistent with industry standards using the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business. Information about cybersecurity risks and our risk management processes is collected, analyzed and considered as part of our overall enterprise risk management program.

Key components of our cybersecurity risk management program include:

- risk assessments designed to help identify cybersecurity risks to our critical systems, information, and services.
- a security team principally responsible for managing (1) our cybersecurity policies & risk assessment processes, (2) our security controls & testing, (3) identifying vulnerabilities and managing remediation, and (4) our cybersecurity monitoring & incident response.
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security processes.
- managing a cybersecurity awareness and training program that covers employees and contractors who access internal systems.
- a cybersecurity incident response plan that includes procedures for responding to various types of cybersecurity incidents and tested through periodic tabletop exercises.
- a third-party security risk assessment team, which is involved with identifying, assessing, and controlling risks that occur due to interactions with third parties including vendors and procurement.
- a cyber risk assessment process to assist in assessing the security posture of third parties.
- restricted physical access to critical areas, servers, and network equipment.
- business continuity and disaster response plans.

Impact of Material Risk

We have not experienced a material cybersecurity incident; however, financial institutions face risks from threat actors that focus on attacks of critical information systems infrastructure assets, disruption to operations, and ransomware groups that steal data, encrypt systems, and demand a payment. The Company relies on third-party software, third-party hardware, and third-party vendors to manage critical aspects of our operations which may be at risk of cybersecurity threats. Although the Company has implemented cybersecurity policies, procedures and controls intended to mitigate these risks and the likelihood of these risks occurring may not be high, if these risks are realized the impact could be material, such as in the event of a material cybersecurity incident.

Additionally, in Item 1A, '*Risk Factors*' we discuss forward-looking cybersecurity risks that could have a material impact on us. Our disclosures in Item 1A should be read in conjunction with this Item 1C.

Management & Board Governance

With over 30 years of industry cybersecurity experience, the Company’s Chief Information Security Officer ("CISO") is the member of the Company’s management team with primary responsibility for the development, operation, and maintenance of the Company’s information security program. The CISO supervises the Company’s cybersecurity team, facilitates the incident response plan and acts as the liaison to the Company’s executive management team, including relaying strategies, resource requests and incident updates. The Company’s security event monitoring and detection capabilities are performed by our Cybersecurity team and third parties through the use of processes and tooling. Cybersecurity incidents are responded to by a multi-disciplinary Incident Response team and if appropriate, escalated to our Cybersecurity Disclosure Committee, Executive Management, and the Board. The level of escalation will vary depending on the severity and scope of the cyber incident. In the event of a severe cyber incident, the CISO will escalate to the relevant subcommittee to determine the course of action. All relevant roles are trained on their responsibilities regularly. The Board, along with the Risk and Audit Committees of the Board, oversees our information security program. In 2023, our Board and Risk and Audit Committees received periodic updates throughout the year on cybersecurity matters, and these updates are part of their standing agendas. These updates include reports regarding items such as cybersecurity strategies, program effectiveness, key risks and performance metrics related to the Company’s information security program and the Company’s mitigating controls.

The Company has an enterprise risk management function that oversees the identification, prioritization, and mitigation of the Company’s enterprise risks, and cybersecurity is a risk category addressed by that function. The Company uses governance, risk and compliance tools to assess, identify and manage its cybersecurity risks.

ITEM 2. PROPERTIES

We maintain leased office facilities in Bermuda, the U.S., Europe, Singapore, and Canada. In January 2023, we sold the building in which our office in Dublin, Ireland was located. We renew and enter into leases in the ordinary course of business as required. Our global headquarters is located at AXIS House, 92 Pitts Bay Road, Pembroke HM 08, Bermuda. We believe that our office space is sufficient for us to conduct our operations for the foreseeable future.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we are subject to routine legal proceedings, including arbitrations, arising in the ordinary course of business. These legal proceedings generally relate to claims asserted by or against us in the ordinary course of its insurance or reinsurance operations. Estimated amounts payable related to these proceedings are included in reserve for losses and loss expenses in our consolidated balance sheets.

We are not party to any material legal proceedings arising outside the ordinary course of business.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common shares are listed on the New York Stock Exchange under the symbol "AXS".

On February 23, 2024, the number of holders of record of our common shares was 16. This figure does not represent the actual number of beneficial owners of our common shares because shares are frequently held in "street name" by securities dealers and others for the benefit of beneficial owners who may vote the shares.

We have a history of paying quarterly cash dividends. While we expect to continue paying comparable cash dividends in the foreseeable future, the declaration and payment of future dividends is at the discretion of our Board of Directors and will depend on many factors including, but not limited to, our net income, financial condition, business needs, capital and surplus requirements of our operating subsidiaries and regulatory and contractual restrictions, including those detailed in our credit facilities. Refer to Item 7 *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources'* for further details.

Issuer Purchases of Equity Securities

Common Shares

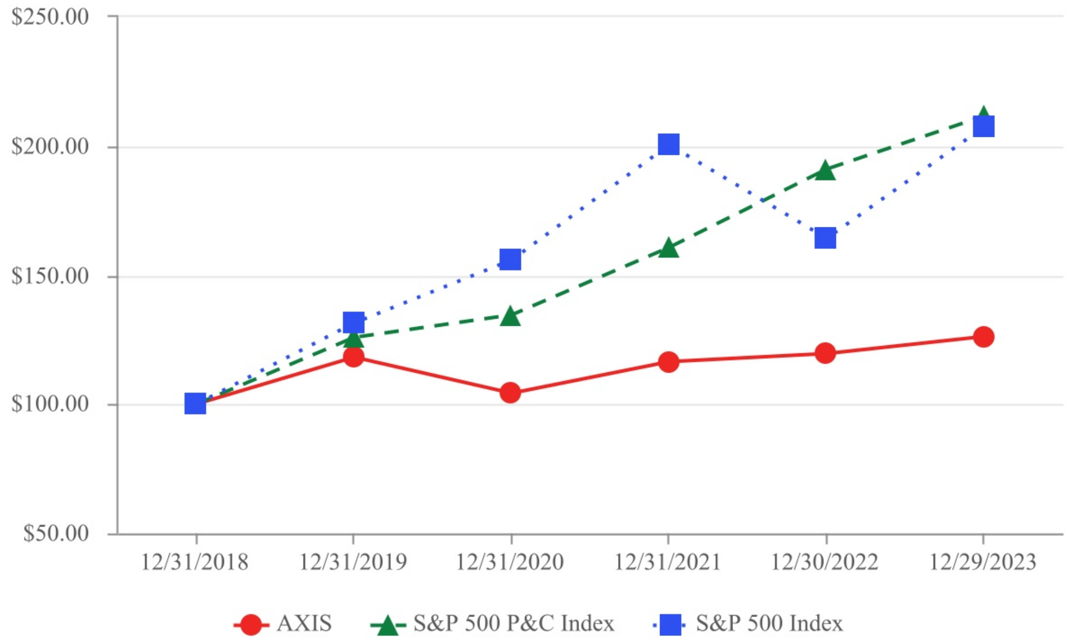
The following table shows information regarding the number of common shares repurchased in the quarter ended December 31, 2023:

Period	Total number of shares purchased[(a) (b)]	Average price paid per share	Total number of shares purchased as part of publicly announced programs	Maximum number (or approximate dollar value) of shares that may yet be purchased under the programs[(c)]
October 1-31, 2023	14	$57.62	—	$100 million
November 1-30, 2023	29	$57.92	—	$100 million
December 1-31, 2023	66	$55.45	—	$100 million
Total	**109**		**—**	**$100 million**

(a) In thousands.
(b) Includes shares repurchased from employees to satisfy personal withholding tax liabilities that arise on the vesting of share-settled restricted stock units.
(c) On December 8, 2022, our Board of Directors authorized a new share repurchase program for up to $100 million of our common shares, effective January 1, 2023 through December 31, 2023. On December 7, 2023, our Board of Directors renewed its authorization for the repurchase of up to $100 million of our common shares, effective January 1, 2024, through December 31, 2024. Share repurchases may be effected from time to time in the open market or privately negotiated transactions, depending on market conditions.

Performance Graph

Set forth below is a line graph comparing the dollar change in the cumulative total shareholder return on the Company's Common Shares from December 31, 2018, through December 31, 2023, as compared to the cumulative total return of the Standard & Poor's 500 Stock Index and the cumulative total return of the Standard & Poor's Property-Casualty Insurance Index. The cumulative total shareholder return is a concept used to compare the performance of a company's stock over time and is the ratio of the stock price change plus the cumulative amount of dividends over the specified time period (assuming dividend reinvestment), to the stock price at the beginning of the time period. The chart depicts the value on December 31, 2019, 2020, 2021, 2022, and 2023, of a $100 investment made on December 31, 2018, with all dividends reinvested.



	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/30/2022	12/29/2023
AXIS Capital Holdings Limited	$100.00	$118.26	$104.19	$116.49	$119.56	$126.18
S&P 500 P&C Index	$100.00	$125.87	$134.63	$160.58	$190.89	$211.53
S&P 500 Index	$100.00	$131.49	$155.68	$200.37	$164.08	$207.21

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of our results of operations for the years ended December 31, 2023 and 2022, and our financial condition at December 31, 2023 and 2022. This should be read in conjunction with Item 8 '*Financial Statements and Supplementary Data'* of this report. Unless otherwise noted, tabular dollars are in thousands, except per share amounts. Amounts may not reconcile due to rounding differences.

2023 FINANCIAL HIGHLIGHTS

2023 Consolidated Results of Operations

- Net income available to common shareholders of $346 million, or $4.06 per common share, and $4.02 per diluted common share
- Operating income[(1)] of $486 million, or $5.65 per diluted common share[(1)]
- Gross premiums written of $8.4 billion
- Net premiums written of $5.1 billion
- Net premiums earned of $5.1 billion
- Pre-tax catastrophe and weather-related losses, net of reinsurance, of $138 million ($116 million, after-tax), (Insurance: $111 million; Reinsurance: $27 million), or 2.7 points primarily attributable to Cyclone Gabrielle and other weather-related events.
- Net adverse prior year reserve development of $412 million
- Underwriting income[(2)] of $161 million and combined ratio of 99.9%
- Net investment income of $612 million
- Net investment losses of $75 million
- Foreign exchange losses of $58 million

2023 Consolidated Financial Condition

- Total cash and investments of $16.7 billion; fixed maturities, short-term investments, and cash and cash equivalents comprise 86% of total cash and investments and have an average credit rating of AA-
- Total assets of $30.3 billion
- Reserve for losses and loss expenses of $16.4 billion and reinsurance recoverable on unpaid and paid losses and loss expenses of $6.9 billion.
- Debt of $1.3 billion and a debt to total capital ratio[(3)] of 20.0%
- Common shares repurchased from employees to satisfy personal withholding tax liabilities that arise on the vesting of share-settled restricted stock units were 398,000 common shares for a total of $24 million
- Common shareholders' equity of $4.7 billion; book value per diluted common share of $54.06

(1) Operating income (loss) and operating income (loss) per diluted common share are non-GAAP financial measures as defined in Item 10(e) of SEC Regulation S-K. The reconciliations to the most comparable GAAP financial measures, net income (loss) available (attributable) to common shareholders and earnings (loss) per diluted common share, respectively, and a discussion of the rationale for the presentation of these items are provided in *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures Reconciliation'*.

(2) Consolidated underwriting income (loss) is a non-GAAP financial measure as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to the most comparable GAAP financial measure, net income (loss), is presented in *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Consolidated Results of Operations'*, and a discussion of the rationale for its presentation is provided in '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures Reconciliation'*.

(3) The debt to total capital ratio is calculated by dividing debt by total capital. Total capital represents the sum of total shareholders' equity and debt.

OVERVIEW

Business Overview

AXIS Capital, through its operating subsidiaries, is a global specialty underwriter and provider of insurance and reinsurance solutions with operations in Bermuda, the 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. We manage our portfolio holistically, aiming to construct the optimum portfolio of risks, consistent with our risk appetite and the development of our franchise. We nurture an ethical, entrepreneurial, disciplined and diverse culture that promotes outstanding client service, intelligent risk taking, operating efficiency, corporate citizenship and the achievement of superior risk-adjusted returns for our shareholders. We believe that the achievement of our objectives will position us as a global leader in specialty risks. The execution of our business strategy in 2023 included the following:

- growing in a number of attractive specialty lines insurance and treaty reinsurance markets including U.S. excess and surplus lines, North America professional lines and Lloyd's specialty insurance business;
- re-balancing our portfolio towards less volatile lines of business, that carry attractive returns while deploying capital within risk limits, diversification and risk management;
- investing in attractive growth markets and advancing capabilities to address more transactional specialist business targeting the lower middle market with our key distribution partners;
- leveraging our global platform to introduce our products and services to new regions including the expansion of our London specialty lines to North America markets;
- continuing the implementation of a more focused distribution strategy while building mutually beneficial relationships with clients and partners;
- improving the effectiveness and efficiency of our operating platforms and processes;
- investing in data and technology capabilities, and tools to empower our underwriters and enhance the service that we provide to our customers;
- utilizing reinsurance markets and third-party capital relationships;
- fostering a positive workplace environment that enables us to attract, retain and develop top talent; and
- growing our corporate citizenship program to give back to our communities and help contribute to a more sustainable future.

For discussion of our results of operations and changes in financial condition for year ended December 31, 2022, compared to year ended December 31, 2021, refer to Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2022 Form 10-K, which was filed with the SEC on February 27, 2023, and such discussions are incorporated herein by reference.

Outlook

We are committed to leadership in specialty insurance and reinsurance. We believe our market positioning, specialty underwriting acumen, global platform, claims management capabilities and deep relationships with our distributors and clients, supported by a conservative and well performing investment portfolio, will provide opportunities for increased profitability, with differences among our lines of business driven by our tactical response to market conditions.

We anticipate overall rate movement to remain positive, in excess of loss cost trends, in the traditional property and casualty insurance classes but to continue to be challenged across the professional lines sector. Following multiple years of rate increases outpacing loss cost trends, pricing across most lines remains above loss cost trends as we continue to pursue selective profitable growth areas.

Market dislocations in the admitted market continue to drive additional risk types into the Wholesale channel. We anticipate this continuing throughout 2024 with strong market opportunities arising predominantly in the Specialty and E&S lines. We continue to pursue targeted growth opportunities by employing a disciplined underwriting appetite and strategy.

Pricing momentum in non-proportional reinsurance continues to be strong while our proportional reinsurance business is benefiting from rate increases in the underlying business. We expect these market conditions to persist in the near term. We continue to focus on underwriting discipline to drive targeted profitable growth among the specialty and casualty reinsurance lines that we offer.

We are encouraged by the pricing improvements we are seeing across most markets, which we expect will carry through 2024, and that rate will continue to keep pace with loss cost trends in the majority of our lines. Where prices continue to deliver adequate profitability, we will look to grow within our risk and volatility guidelines. With a strengthened book of business, and a growing footprint in specialty markets that are seeing the most favorable conditions, we believe AXIS is well positioned to drive profitable growth within the current environment.

Recent Developments

Retrocession Agreement with Monarch Point Re

On September 22, 2023 (the "closing date"), we entered into an agreement, with an effective date of January 1, 2023, to retrocede a diversified portfolio of casualty reinsurance business to Monarch Point Re. The agreement covers losses both on a prospective basis and on a retroactive basis. Therefore, we have bifurcated the prospective and retroactive elements of the agreement and are accounting for each element separately. Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses'* and Note 18 to the Consolidated Financial Statements *'Related Party Transactions'* for further details.

Loan to Monarch Point Re

During 2023, we advanced an amount of $297 million to Monarch Point Re. This loan will be repaid in a manner consistent with the timing of amounts due to Monarch Point Re under the retrocession agreement. At December 31, 2023, the Company had committed to advance a further $16 million to Monarch Point Re.

How We Work Program

Reorganization expenses of $29 million include impairments of computer software assets and severance costs mainly attributable to our "How We Work" program which is focused on simplifying our operating structure.

Bermuda Corporate Income Tax Act of 2023

The Bermuda Minister of Finance, under the Exempted Undertakings Tax Protection Act 1966 of Bermuda, as amended, has given each of our Bermuda resident companies an assurance that if any legislation is enacted in Bermuda that would impose tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax will not be applicable to our Bermuda resident companies or any of their respective operations, shares, debentures or other obligations until March 31, 2035.

Notwithstanding the above, on December 27, 2023, the Bermuda government enacted a corporate income tax which will apply for accounting periods starting on or after January 1, 2025. Importantly, under the Corporate Income Tax Act 2023 of Bermuda, any liability to the tax will apply regardless of any assurances previously provided under the Exempted Undertakings Tax Protection Act 1966 of Bermuda. This tax will likely have a material impact on our effective tax rate.

CONSOLIDATED RESULTS OF OPERATIONS

Year ended December 31,		2023	% Change		2022	% Change		2021
Underwriting revenues:								
Gross premiums written	**$**	**8,356,525**	2%	$	8,214,595	7%	$	7,685,984
Net premiums written		**5,102,325**	(3%)		5,263,056	7%		4,926,624
Net premiums earned		**5,083,781**	(1%)		5,160,326	10%		4,709,850
Other insurance related income		**22,495**	72%		13,073	(44%)		23,295
Underwriting expenses:								
Net losses and loss expenses		**(3,393,102)**	5%		(3,242,410)	8%		(3,008,783)
Acquisition costs		**(1,000,945)**	(2%)		(1,022,017)	11%		(921,834)
Underwriting-related general and administrative expenses(1)		**(551,467)**	—%		(550,289)	3%		(536,834)
Underwriting income(2)		**160,762**			358,683			265,694
Net investment income		**611,742**	46%		418,829	(8%)		454,301
Net investment gains (losses)		**(74,630)**	(84%)		(456,789)	nm		134,279
Corporate expenses(1)		**(132,979)**	2%		(130,054)	3%		(126,470)
Foreign exchange (losses) gains		**(58,115)**	nm		157,945	nm		(315)
Interest expense and financing costs		**(68,421)**	8%		(63,146)	1%		(62,302)
Reorganization expenses		**(28,997)**	(8%)		(31,426)	nm		—
Amortization of value of business acquired		**—**	—%		—	nm		(3,854)
Amortization of intangible assets		**(10,917)**	—%		(10,917)	(12%)		(12,424)
Income before income taxes and interest in income of equity method investments		**398,445**			243,125			648,909
Income tax expense		**(26,316)**	19%		(22,037)	(65%)		(62,384)
Interest in income of equity method investments		**4,163**	nm		1,995	(94%)		32,084
Net income		**376,292**			223,083			618,609
Preferred share dividends		**(30,250)**	—%		(30,250)	—%		(30,250)
Net income available to common shareholders	**$**	**346,042**		$	192,833		$	588,359

nm – not meaningful is defined as a variance greater than +/-100%

(1) Underwriting-related general and administrative expenses is a non-GAAP financial measure as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to general and administrative expenses, the most comparable GAAP financial measure, also included corporate expenses of $133 million, $130 million, and $126 million for 2023, 2022, and 2021, respectively. Refer to *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Other Expenses (Revenues), Net*" for further details on corporate expenses. Refer also to *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures Reconciliation'* for further details.

(2) Consolidated underwriting income (loss) is a non-GAAP financial measure as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to net income (loss), the most comparable GAAP financial measure, is presented in the table above. Refer also to *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures Reconciliation'* for further details.

Underwriting Revenues

Underwriting revenues by segment were as follows:

Year ended December 31,	2023	% Change	2022	% Change	2021
Gross premiums written:					
Insurance	$ **6,140,764**	10%	$ 5,585,581	15%	$ 4,863,232
Reinsurance	**2,215,761**	(16%)	2,629,014	(7%)	2,822,752
Total gross premiums written	$ **8,356,525**	2%	$ 8,214,595	7%	$ 7,685,984
Percent of gross premiums written ceded:					
Insurance	**39 %**	(1 pt)	40 %	— pt	40 %
Reinsurance	**39 %**	11 pts	28 %	— pt	28 %
Total percent of gross premiums written ceded	**39 %**	3 pts	36 %	— pt	36 %
Net premiums written:					
Insurance	$ **3,758,720**	11%	$ 3,377,906	17%	$ 2,894,885
Reinsurance	**1,343,605**	(29%)	1,885,150	(7%)	2,031,739
Total net premiums written	$ **5,102,325**	(3%)	$ 5,263,056	7%	$ 4,926,624
Net premiums earned:					
Insurance	$ **3,461,700**	10%	$ 3,134,155	18%	$ 2,651,339
Reinsurance	**1,622,081**	(20%)	2,026,171	(2%)	2,058,511
Total net premiums earned	$ **5,083,781**	(1%)	$ 5,160,326	10%	$ 4,709,850

Refer to '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Results by Segment*' for further details on underwriting revenues.

Combined Ratio

The components of the combined ratio were as follows:

Year ended December 31,	2023	% Point Change	2022	% Point Change	2021
Current accident year loss ratio, excluding catastrophe and weather-related losses	**55.9 %**	0.4	55.5 %	0.4	55.1 %
Catastrophe and weather-related losses ratio	**2.7 %**	(5.1)	7.8 %	(1.7)	9.5 %
Current accident year loss ratio	**58.6 %**	(4.7)	63.3 %	(1.3)	64.6 %
Prior year reserve development ratio	**8.1 %**	8.6	(0.5 %)	0.2	(0.7 %)
Net losses and loss expenses ratio	**66.7 %**	3.9	62.8 %	(1.1)	63.9 %
Acquisition cost ratio	**19.7 %**	(0.1)	19.8 %	0.2	19.6 %
General and administrative expense ratio(1)	**13.5 %**	0.3	13.2 %	(0.8)	14.0 %
Combined ratio	**99.9 %**	4.1	95.8 %	(1.7)	97.5 %

(1) The general and administration expense ratio included corporate expenses not allocated to underwriting segments of 2.6%, 2.5% and 2.7% for 2023, 2022 and 2021, respectively. Refer to '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Other Expenses (Revenues), Net*' for further details.

Refer to '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Results by Segment*' for further details on underwriting expenses.

RESULTS BY SEGMENT

Insurance Segment

Results for the insurance segment were as follows:

Year ended December 31,	2023	% Change	2022	% Change	2021
Revenues:					
Gross premiums written	**$ 6,140,764**	10%	$ 5,585,581	15%	$ 4,863,232
Net premiums written	**3,758,720**	11%	3,377,906	17%	2,894,885
Net premiums earned	**3,461,700**	10%	3,134,155	18%	2,651,339
Other insurance related income (loss)	**(198)**	nm	559	(66%)	1,662
Expenses:					
Current accident year net losses and loss expenses	**(1,903,648)**		(1,802,204)		(1,533,358)
Prior year reserve development	**(176,353)**		16,350		18,360
Acquisition costs	**(648,463)**		(577,838)		(484,344)
Underwriting-related general and administrative expenses	**(472,094)**		(443,704)		(429,282)
Underwriting income	**$ 260,944**		$ 327,318		$ 224,377
Ratios:		**% Point Change**		**% Point Change**	
Current accident year loss ratio, excluding catastrophe and weather-related losses	**51.8 %**	0.8	51.0 %	(0.4)	51.4 %
Catastrophe and weather-related losses ratio	**3.2 %**	(3.3)	6.5 %	0.1	6.4 %
Current accident year loss ratio	**55.0 %**	(2.5)	57.5 %	(0.3)	57.8 %
Prior year reserve development ratio	**5.1 %**	5.6	(0.5 %)	0.2	(0.7 %)
Net losses and loss expenses ratio	**60.1 %**	3.1	57.0 %	(0.1)	57.1 %
Acquisition cost ratio	**18.7 %**	0.3	18.4 %	0.1	18.3 %
Underwriting-related general and administrative expense ratio	**13.7 %**	(0.5)	14.2 %	(2.0)	16.2 %
Combined ratio	**92.5 %**	2.9	89.6 %	(2.0)	91.6 %

nm – not meaningful

Gross Premiums Written

Gross premiums written by line of business were as follows:

Year ended December 31,	2023		2022		2021		% Change	
							2022 to 2023	2021 to 2022
Professional lines	**$ 1,140,695**	**19 %**	$ 1,322,966	24 %	$ 1,290,767	26 %	(14 %)	2 %
Property	**1,736,586**	**28 %**	1,357,489	24 %	1,192,981	25 %	28 %	14 %
Liability	**1,256,951**	**20 %**	1,138,645	20 %	930,999	19 %	10 %	22 %
Cyber	**649,160**	**11 %**	644,746	12 %	525,349	11 %	1 %	23 %
Marine and aviation	**771,162**	**13 %**	652,687	12 %	580,635	12 %	18 %	12 %
Accident and health	**333,559**	**5 %**	258,399	5 %	178,899	4 %	29 %	44 %
Credit and political risk	**252,651**	**4 %**	210,649	3 %	163,602	3 %	20 %	29 %
Total	**$ 6,140,764**	**100 %**	$ 5,585,581	100 %	$ 4,863,232	100 %	10 %	15 %

Gross premiums written in 2023 increased by $555 million, or 10%, compared to 2022. The increase was primarily attributable to property, marine and aviation, liability, accident and health, and credit and political risk lines, partially offset by a decrease in professional lines.

The increases in property, marine and aviation, liability, and credit and political risk lines were due to favorable rate changes and new business. The increase in accident and health lines was due to new business.

The decrease in professional lines reflected the unattractive pricing environment for U.S. public D&O business, together with a lower level of activity in transactional liability business.

Ceded Premiums Written

Ceded premiums written in 2023 were $2,382 million, or 39% of gross premiums written, compared to $2,208 million, or 40% in 2022. The increase in ceded premiums written of $174 million, or 8% was primarily driven by increases in property, liability, and marine and aviation lines, partially offset by a decrease in professional lines.

The increases in property, liability, and marine and aviation lines reflected the increase in gross premiums written in 2023, compared to 2022. The increase in property lines was also attributable to the restructuring of a significant existing quota share treaty.

The decrease in professional lines reflected the decrease in gross premiums written for 2023, compared to 2022. The decrease in professional lines was also due to the restructuring of a significant existing quota share treaty.

Net Premiums Earned

Net premiums earned by line of business were as follows:

Year ended December 31,	2023		2022		2021		% Change 2022 to 2023	% Change 2021 to 2022
Professional lines	**$ 764,558**	**22 %**	$ 817,924	26 %	$ 646,390	23 %	(7 %)	27 %
Property	**878,849**	**26 %**	755,986	24 %	711,297	27 %	16 %	6 %
Liability	**496,381**	**14 %**	459,775	15 %	354,787	13 %	8 %	30 %
Cyber	**323,025**	**9 %**	309,004	10 %	252,077	10 %	5 %	23 %
Marine and aviation	**567,292**	**16 %**	479,499	15 %	439,050	17 %	18 %	9 %
Accident and health	**306,061**	**9 %**	209,548	7 %	151,133	6 %	46 %	39 %
Credit and political risk	**125,534**	**4 %**	102,419	3 %	96,605	4 %	23 %	6 %
Total	**$ 3,461,700**	**100 %**	$ 3,134,155	100 %	$ 2,651,339	100 %	10 %	18 %

Net premiums earned in 2023 increased by $328 million, or 10% ($365 million, or 12%, on a constant currency basis[(1)]), compared to 2022. The increase was primarily driven by increases in gross premiums earned in property, liability, marine and aviation, accident and health, credit and political risk, and cyber lines, together with a decrease in ceded premiums earned in professional lines. These amounts were partially offset by increases in ceded premiums earned in property, liability, and marine and aviation lines together with a decrease in gross premiums earned in professional lines.

Loss Ratio

The components of the loss ratio were as follows:

Year ended December 31,	2023	% Point Change	2022	% Point Change	2021
Current accident year loss ratio	**55.0 %**	(2.5)	57.5 %	(0.3)	57.8 %
Prior year reserve development ratio	**5.1 %**	5.6	(0.5 %)	0.2	(0.7 %)
Loss ratio	**60.1 %**	3.1	57.0 %	(0.1)	57.1 %

Current Accident Year Loss Ratio

The current accident year loss ratio decreased to 55.0% in 2023 from 57.5% in 2022. The decrease in the current accident year loss ratio was impacted by a lower level of catastrophe and weather-related losses.

During 2023, catastrophe and weather-related losses, net of reinsurance, were $111 million, or 3.2 points, primarily attributable to the Israel-Hamas conflict, the Earthquake in Turkey, Maui wildfires, Cyclone Gabrielle, Typhoon Mawar and other weather-related events.

Comparatively, in 2022, catastrophe and weather-related losses, net of reinstatement premiums, were $207 million, or 6.5 points, including natural catastrophe and weather-related losses of $177 million, or 5.6 points, primarily attributable to Hurricane Ian, Winter Storm Elliot, Eastern Australia floods, South Africa floods, and other weather-related events. The remaining losses of $29 million, or 0.9 points, were attributable to the Russia-Ukraine war.

Adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio increased to 51.8% in 2023 from 51.0% in 2022. The increase in the current accident year loss ratio, after adjusting for the impact of the catastrophe and weather-related losses was principally due to elevated loss experience in property, and marine and aviation lines, and heightened loss trends in liability lines consistent with changes in loss assumptions reflected in recent periods, partially offset by the changes in business mix associated with the increase in property business and the decrease in professional lines business written in recent periods.

(1) Amounts presented on a constant currency basis are non-GAAP financial measures as defined in Item10 (e) of SEC Regulation S-K. The constant currency basis is calculated by applying the average foreign exchange rate from the current year to the prior year balance.

Prior Year Reserve Development

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses'* for details on the lines of business and prior year development.

Acquisition Cost Ratio

The acquisition cost ratio increased to 18.7% in 2023 from 18.4% in 2022, principally related to a decrease in ceding commissions largely associated with changes in business mix driven by an increase in property business which is associated with relatively lower ceding commissions and a decrease in professional lines business written in recent periods which is associated with relatively higher ceding commissions.

Underwriting-Related General and Administrative Expense Ratio

The underwriting-related general and administrative expense ratio decreased to 13.7% in 2023 from 14.2% in 2022, mainly driven by an increase in net premiums earned, partially offset by increases in personnel costs and performance-related compensation costs.

Reinsurance Segment

Results for the reinsurance segment were as follows:

Year ended December 31,	**2023**	**% Change**	**2022**	**% Change**	**2021**
Revenues:					
Gross premiums written	**$ 2,215,761**	(16%)	$ 2,629,014	(7%)	$ 2,822,752
Net premiums written	**1,343,605**	(29%)	1,885,150	(7%)	2,031,739
Net premiums earned	**1,622,081**	(20%)	2,026,171	(2%)	2,058,511
Other insurance related income	**22,693**	81%	12,514	(42%)	21,633
Expenses:					
Current accident year net losses and loss expenses	**(1,077,572)**		(1,465,739)		(1,507,835)
Prior year reserve development	**(235,529)**		9,183		14,049
Acquisition costs	**(352,482)**		(444,179)		(437,490)
Underwriting-related general and administrative expenses	**(79,373)**		(106,585)		(107,552)
Underwriting income (loss)	**$ (100,182)**		$ 31,365		$ 41,317
Ratios:		**% Point Change**		**% Point Change**	
Current accident year loss ratio, excluding catastrophe and weather-related losses	**64.8 %**	2.2	62.6 %	2.7	59.9 %
Catastrophe and weather-related losses ratio	**1.6 %**	(8.1)	9.7 %	(3.6)	13.3 %
Current accident year loss ratio	**66.4 %**	(5.9)	72.3 %	(0.9)	73.2 %
Prior year reserve development ratio	**14.6 %**	15.0	(0.4 %)	0.2	(0.6 %)
Net losses and loss expenses ratio	**81.0 %**	9.1	71.9 %	(0.7)	72.6 %
Acquisition cost ratio	**21.7 %**	(0.2)	21.9 %	0.6	21.3 %
Underwriting-related general and administrative expense ratio	**4.9 %**	(0.4)	5.3 %	0.2	5.1 %
Combined ratio	**107.6 %**	8.5	99.1 %	0.1	99.0 %

Gross Premiums Written:

Gross premiums written by line of business were as follows:

Year ended December 31,	2023		2022		2021		% Change 2022 to 2023	% Change 2021 to 2022
Liability	**$ 642,801**	**29 %**	$ 719,831	27 %	$ 722,931	26 %	(11 %)	— %
Accident and health	**396,668**	**18 %**	411,891	16 %	398,641	14 %	(4 %)	3 %
Professional lines	**379,222**	**17 %**	400,807	15 %	353,671	13 %	(5 %)	13 %
Credit and surety	**351,083**	**16 %**	298,565	11 %	208,108	7 %	18 %	43 %
Motor	**201,466**	**9 %**	239,794	9 %	279,966	10 %	(16 %)	(14 %)
Agriculture	**126,300**	**6 %**	128,012	5 %	86,128	3 %	(1 %)	49 %
Marine and aviation	**62,260**	**3 %**	93,371	4 %	73,968	3 %	(33 %)	26 %
Run-off lines								
Catastrophe	**30,175**	**1 %**	222,810	9 %	492,397	16 %	(86 %)	(55 %)
Property	**21,513**	**1 %**	103,492	4 %	213,406	8 %	(79 %)	(52 %)
Engineering	**4,273**	**— %**	10,441	— %	(6,464)	— %	(59 %)	nm
Total run-off lines	**55,961**	**2 %**	336,743	13 %	699,339	24 %	(83 %)	(52 %)
Total	**$ 2,215,761**	**100 %**	$ 2,629,014	100 %	$ 2,822,752	100 %	(16 %)	(7 %)

nm – not meaningful

Gross premiums written in 2023 decreased by $413 million, or 16% ($365 million, or 14%, on a constant currency basis), compared to 2022. The decrease was primarily attributable to catastrophe, property, liability, motor, marine and aviation, professional lines, accident and health, and engineering lines, partially offset by an increase in credit and surety lines.

The decreases in catastrophe and property lines were associated with the exit from these lines of business in June 2022.

The decrease in liability lines was related to non-renewals of U.S. regional multi-line business that included a high proportion of property exposures and a decreased line size on a significant contract following the exit from catastrophe and property lines of business, together with non-renewals and decreased line sizes associated with repositioning the portfolio, partially offset by new business.

The decrease in motor lines was due to non-renewals and decreased line sizes associated with repositioning the portfolio and the timing of the renewal of a significant contract, partially offset by premium adjustments attributable to significant contracts associated with favorable market conditions, and new business.

The decrease in marine and aviation lines was driven by non-renewals of marine business and the exit from aviation business effective January 1, 2023.

The decrease in professional lines was attributable to lower premium adjustments associated with favorable market conditions in 2023, compared to 2022, together with the non-renewals of several under-performing contracts, partially offset by new business and increased line sizes.

The decrease in accident and health lines was related to lower premium adjustments in 2023, compared to 2022, together with the timing of renewals of two significant contracts, partially offset by the increased line size of a significant contract.

The decrease in engineering lines was attributable to premium adjustments related to a significant contract in 2022.

The increase in credit and surety lines was driven by new business, including mortgage business, partially offset by the timing of the renewal of a significant contract and premium adjustments related to several surety contracts.

Ceded Premiums Written

Ceded premiums written in 2023 were $872 million, or 39%, of gross premiums written, compared to $744 million, or 28%, in 2022. The increase in ceded premiums written of $128 million, or 17%, was primarily driven by increases in liability, professional lines, accident and health, credit and surety, motor, and agriculture lines, partially offset by a decrease in catastrophe lines.

The increases in liability, professional lines, accident and health, credit and surety, and motor lines were primarily attributable to premiums ceded to a quota share retrocession agreement entered into with Monarch Point Re on September 22, 2023 with an effective date of January 1, 2023. Refer to Item 7 '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Overview – Recent Developments – Retrocession Agreement with Monarch Point Re'* for further information.

The increase in liability lines was partially offset by the decrease in gross premiums written in 2023, compared to 2022, the non-renewal of a significant retrocessional treaty with a strategic capital partner and the restructuring of a significant quota share retrocessional treaty.

The increase in professional lines was partially offset by the non-renewal of a significant retrocessional treaty with a strategic capital partner.

The increase in accident and health lines was also attributable to the restructuring of a significant quota share retrocessional treaty with a strategic capital partner.

The increase in credit and surety lines was partially offset by the restructuring of a significant quota share retrocessional treaty and the non-renewal of a fronting arrangement.

The increase in motor lines was partially offset by the decrease in gross premiums written in 2023, compared to 2022.

The increase in agriculture lines was attributable to premiums ceded to a new quota share retrocessional treaty.

The decrease in catastrophe lines was due to lower costs associated with catastrophe bond protection, together with the decrease in gross premiums written in 2023, compared to 2022 following the exit from this line of business in June 2022.

Net Premiums Earned

Net premiums earned by line of business were as follows:

Year ended December 31,	2023		2022		2021		% Change 2022 to 2023	% Change 2021 to 2022
Liability	**$ 403,239**	**25 %**	$ 484,681	24 %	$ 431,596	21 %	(17 %)	12 %
Accident and health	**341,806**	**21 %**	368,747	18 %	361,196	18 %	(7 %)	2 %
Professional lines	**205,404**	**13 %**	250,911	12 %	220,448	11 %	(18 %)	14 %
Credit and surety	**236,408**	**15 %**	192,926	10 %	158,549	8 %	23 %	22 %
Motor	**155,942**	**10 %**	205,774	10 %	247,099	12 %	(24 %)	(17 %)
Agriculture	**121,628**	**7 %**	122,289	6 %	82,743	4 %	(1 %)	48 %
Marine and aviation	**65,658**	**4 %**	78,504	4 %	58,775	3 %	(16 %)	34 %
Run-off lines								
Catastrophe	**33,963**	**1 %**	156,232	7 %	238,775	11 %	(78 %)	(35 %)
Property	**44,508**	**3 %**	135,480	7 %	231,092	11 %	(67 %)	(41 %)
Engineering	**13,525**	**1 %**	30,627	2 %	28,238	1 %	(56 %)	8 %
Total run-off lines	**91,996**	**5 %**	322,339	16 %	498,105	23 %	(71 %)	(35 %)
Total	**$ 1,622,081**	**100 %**	$ 2,026,171	100 %	$ 2,058,511	100 %	(20 %)	(2 %)

Net premiums earned in 2023 decreased by $404 million, or 20%, ($337 million, or 17%, on a constant currency basis), compared to 2022. The decrease was primarily driven by decreases in gross premiums earned in catastrophe, property, liability, motor, professional lines, engineering, marine and aviation, and accident and health lines, together with increases in ceded premiums earned in motor, accident and health, credit and surety, professional lines and liability lines. These amounts were partially offset by decreases in ceded premiums earned in catastrophe lines and increases in gross premiums earned in credit and surety lines.

Other Insurance Related Income (Loss)

Other insurance related income of $23 million in 2023, compared to other insurance related income of $13 million in 2022, an increase of $10 million, primarily associated with an increase in fees related to arrangements with strategic capital partners.

Loss Ratio

The components of the loss ratio were as follows:

Year ended December 31,	2023	% Point Change	2022	% Point Change	2021
Current accident year loss ratio	**66.4 %**	(5.9)	72.3 %	(0.9)	73.2 %
Prior year reserve development ratio	**14.6 %**	15.0	(0.4 %)	0.2	(0.6 %)
Loss ratio	**81.0 %**	9.1	71.9 %	(0.7)	72.6 %

Current Accident Year Loss Ratio

The current accident year loss ratio decreased to 66.4% in 2023 from 72.3% in 2022. The decrease in the current accident year loss ratio was impacted by a lower level of catastrophe and weather-related losses.

During 2023, catastrophe and weather-related losses, net of reinsurance, were $27 million, or 1.6 points, primarily attributable to Cyclone Gabrielle and other weather-related events.

Comparatively, in 2022, catastrophe and weather-related losses, net of reinstatement premiums, were $196 million, or 9.7 points, including natural catastrophe and weather-related losses of $160 million, or 8.0 points, primarily attributable to Hurricane Ian, June European Convective Storms, Eastern Australia floods, South Africa floods, Winter Storm Elliot, and other weather-related events. The remaining losses included $23 million, or 1.1 points, attributable to the COVID-19 pandemic, and $13 million, or 0.6 points, attributable to the Russia-Ukraine war.

Adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio increased to 64.8% in 2023 from 62.6% in 2022, principally due to changes in business mix associated with the exit from catastrophe lines, partially offset by changes in business mix due to the increase in credit and surety business written in the recent periods which are associated with a relatively lower loss ratio.

Prior Year Reserve Development

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses'* for details on the lines of business and prior year development.

Acquisition Cost Ratio

The acquisition cost ratio decreased to 21.7% in 2023 from 21.9% in 2022, principally related to an increase in ceding commissions from retrocessional agreements due to changes in business mix driven by increases in credit and surety, professional lines, liability, accident and health, and motor business written in recent periods, together with decreases in catastrophe and property business written in recent periods.

Underwriting-Related General and Administrative Expense Ratio

The underwriting-related general and administrative expense ratio decreased to 4.9% in 2023 from 5.3% in 2022, mainly driven by a decrease in personnel costs associated with the exit from catastrophe and property lines, partially offset by decreases in net premiums earned and fees related to arrangements with strategic capital partners.

NET INVESTMENT INCOME AND NET INVESTMENT GAINS (LOSSES)

Net Investment Income

Net investment income from our cash and investment portfolio by major asset class was as follows:

Year ended December 31,	2023	% Change	2022	% Change	2021
Fixed maturities	$ **514,842**	56%	$ 329,858	26%	$ 262,049
Other investments	**20,411**	(64%)	57,043	(69%)	181,906
Equity securities	**12,088**	16%	10,390	(19%)	12,752
Mortgage loans	**35,312**	51%	23,407	34%	17,427
Cash and cash equivalents	**50,261**	nm	20,273	nm	4,454
Short-term investments	**8,924**	nm	3,535	nm	664
Gross investment income	**641,838**	44%	444,506	(7%)	479,252
Investment expense	**(30,096)**	17%	(25,677)	3%	(24,951)
Net investment income	$ **611,742**	46%	$ 418,829	(8%)	$ 454,301
Pre-tax yield:[1]					
Fixed maturities	**3.9 %**		2.6 %		2.2 %

nm – not meaningful

(1) Pre-tax yield is calculated by dividing net investment income by the average month-end amortized cost balances.

Fixed Maturities

***2023 versus 2022*:** Net investment income in 2023 increased by $185 million or 56%, compared to 2022 due to an increase in yields.

Other Investments

Other investments include multi-strategy funds, direct lending funds, private equity funds, real estate funds, other privately held investments and an indirect investment in CLO-Equities. These investments are recorded at fair value, with changes in fair value and income distributions reported in net investment income. Consequently, the pre-tax return on other investments may vary materially year over year, particularly during volatile equity and credit markets.

Net investment income from other investments was as follows:

Year ended December 31,	2023	2022	2021
Multi-strategy, direct lending, private equity and real estate funds	$ **20,867**	$ 39,151	$ 133,923
Other privately held investments	**(2,875)**	14,931	44,482
CLO-Equities	**2,419**	2,961	3,501
Total net investment income from other investments	$ **20,411**	$ 57,043	$ 181,906
Pre-tax return on other investments[1]	**2.1 %**	5.9 %	21.4 %

(1) The pre-tax return on other investments is calculated by dividing total net investment income from other investments by the average month-end fair value balances held for the periods indicated.

***2023 versus 2022*:** Pre-tax return on other investments in 2023 decreased to 2.1%, compared to 5.9% in 2022. The decrease was primarily attributable to lower returns from real estate funds and other privately held investments.

Net Investment Gains (Losses)

Fixed maturities classified as available for sale are reported at fair value. Realized gains (losses) on fixed maturities are reported in net investment gains (losses) when these securities are sold or impaired.

Equity securities are reported at fair value. Realized gains (losses) on equity securities are also reported in net investment gains (losses) when securities are sold or impaired. In addition, changes in the fair values of equity securities are reported in net investment gains (losses).

Changes in the fair value of investment derivatives, mainly foreign exchange forward contracts are recorded in net investment gains (losses).

Net investment gains (losses) were as follows:

Year ended December 31,	2023	2022	2021
On sale of investments:			
Fixed maturities and short-term investments	**$ (125,160)**	$ (311,822)	$ 95,116
Equity securities	**16,208**	7,281	4,717
	(108,952)	(304,541)	99,833
(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	**974**	(11,421)	11
(Increase) decrease in allowance for expected credit losses, mortgage loans	**(6,220)**	—	—
Impairment losses [1]	**(12,757)**	(12,568)	(22)
Change in fair value of investment derivatives	**(1,456)**	7,656	4,346
Net unrealized gains (losses) on equity securities	**53,781**	(135,915)	30,111
Net investment gains (losses)	**$ (74,630)**	$ (456,789)	$ 134,279

(1) Related to instances where we intend to sell securities, or it is more likely than not that we will be required to sell securities before their anticipated recovery.

***2023 versus 2022*:** Net investment losses in 2023 were $75 million compared to net investment losses of $457 million in 2022. Net investment losses reported in 2023 mainly reflected net realized losses on the sale of corporate debt, U.S. government and Non-Agency CMBS, partially offset by net unrealized gains on equity securities. Net investment losses reported in 2022 mainly reflected net realized losses on the sale of corporate debt, U.S. government and Agency RMBS and net unrealized losses on equity securities.

On Sale of Investments

Generally, sales of individual securities occur when there are changes in the relative value, credit quality, or duration of a particular issue. We may also sell securities to re-balance our investment portfolio in order to change exposure to particular asset classes or sectors.

(Increase) Decrease in Allowance for Expected Credit Losses, Mortgage Loans

2023 versus 2022: The allowance for expected credit losses increased by $6 million in 2023 compared to $nil in 2022. The increase was primarily related to two collateral dependent mortgage loans.

Impairment Losses

The impairment losses (refer to '*Critical Accounting Estimates – Impairment losses'* for further details) recognized in net income were as follows:

2023 versus 2022: Impairment losses in 2023 and 2022 were $13 million. The impairment losses in 2023 and 2022 were principally due to impairments of non-investment grade corporate debt securities that we intended to sell or where we determined that it was more likely than not that we were required to sell securities before their anticipated recovery.

Change in Fair Value of Investment Derivatives

We economically hedge foreign exchange exposure with derivative contracts.

During 2023, foreign exchange hedges resulted in $1 million of net losses which primarily related to securities denominated in pound sterling and euro which experienced volatility during 2023.

During 2022, foreign exchange hedges resulted in $8 million of net gains which primarily related to securities denominated in pound sterling and euro which experienced volatility during 2022.

Our derivative instruments are not designated as hedges. Therefore, net unrealized gains (losses) on the hedged securities were recorded in accumulated other comprehensive income (loss) in total shareholders' equity.

Total Return

Our investment strategy is to take a long-term view by actively managing our investment portfolio to maximize total return within certain guidelines and constraints. In assessing returns under this approach, we include net investment income, net investment gains (losses), the change in unrealized gains (losses) on fixed maturities, and interest in income (loss) of equity method investments generated by our investment portfolio.

Total return on cash and investments was as follows:

Year ended December 31,	2023	2022	2021
Net investment income	**$ 611,742**	$ 418,829	$ 454,301
Net investments gains (losses)	**(74,630)**	(456,789)	134,279
Change in net unrealized gains (losses) on fixed maturities[(1)]	**448,477**	(909,150)	(405,378)
Interest in income of equity method investments	**4,163**	1,995	32,084
Total	**$ 989,752**	$ (945,115)	$ 215,286
Average cash and investments[(2)]	**$ 16,155,418**	$ 15,963,535	$ 16,107,523
Total return on average cash and investments, pre-tax:			
Including investment related foreign exchange movements	**6.1 %**	(5.9 %)	1.3 %
Excluding investment related foreign exchange movements[(3)]	**5.8 %**	(5.2 %)	1.6 %

(1) Change in net unrealized gains (losses) on fixed maturities is calculated by taking net unrealized gains (losses) at year end less net unrealized gains (losses) at the prior year end.

(2) The average cash and investments balance is calculated by taking the average of the monthly fair value balances.

(3) Pre-tax total return on cash and investments excluding foreign exchange movements is a non-GAAP financial measure as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to pre-tax total return on cash and investments, the most comparable GAAP financial measure, included foreign exchange (losses) gains of $51 million, $(110) million and $(40) million for the years ended December 31, 2023, 2022 and 2021, respectively.

OTHER EXPENSES (REVENUES), NET

The following table provides a summary of other expenses (revenues), net:

Year ended December 31,	2023	% Change	2022	% Change	2021
Corporate expenses	$ **132,979**	2%	$ 130,054	3%	$ 126,470
Foreign exchange losses (gains)	**58,115**	nm	(157,945)	nm	315
Interest expense and financing costs	**68,421**	8%	63,146	1%	62,302
Income tax expense	**26,316**	19%	22,037	(65%)	62,384
Total	**$ 285,831**		$ 57,292		$ 251,471

nm – not meaningful

Corporate Expenses

Corporate expenses include holding company costs necessary to support our worldwide insurance and reinsurance operations and costs associated with operating as a publicly-traded company. As a percentage of net premiums earned, corporate expenses increased to 2.6% in 2023 from 2.5% in 2022.

The increase in corporate expenses in 2023 was mainly driven by increases in personnel costs and performance-related compensation costs, largely offset by a decrease in executive-related compensation costs associated with the transition in our senior leadership.

Foreign Exchange Losses (Gains)

Some of our business is written in currencies other than the U.S. dollar.

Foreign exchange losses in 2023 were primarily related to the impact of the weakening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in pound sterling, euro and Canadian dollar.

Foreign exchange gains in 2022 were primarily related to the impact of the strengthening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in pound sterling and euro.

Interest Expense and Financing Costs

Interest expense and financing costs are related to interest due on the 5.150% senior unsecured notes ("5.150% Senior Notes") issued in 2014, the 4.000% senior unsecured notes ("4.000% Senior Notes") issued in 2017, the 3.900% senior unsecured notes ("3.900% Senior Notes"), the 4.900% fixed-rate reset junior subordinated notes ("Junior Subordinated Notes") issued in 2019, and the Federal Home Loan advances ("FHLB advances") received in 2023 and 2022.

Interest expense and financing costs increased by $5 million in 2023, compared to 2022, due to the FHLB advances in 2023.

Income Tax Expense (Benefit)

Income tax expense (benefit) primarily results from income (loss) generated by our foreign operations in the U.S. and Europe. Our effective tax rate, which is calculated as income tax expense (benefit) divided by income (loss) before tax including interest in income (loss) of equity method investments, was 6.5%, 9.0%, and 9.2% in 2023, 2022, and 2021, respectively. This effective rate can vary between years depending on the distribution of net income (loss) among tax jurisdictions, as well as other factors.

The tax expense of $26 million in 2023 was principally due to the generation of pre-tax income in our U.K. and European insurance operations, partially offset by the recognition of a tax benefit in Bermuda on unrealized investment losses included in other comprehensive income (loss) due to the enactment of corporate income tax that will take effect in 2025, and the generation of pre-tax losses in our U.S. operations.

In 2023, the valuation allowance decreased by $21 million. The net gain incurred by the AXIS Re SE, the Irish reinsurance company, resulted in the release of a valuation allowance of $25 million against the net deferred tax assets of AXIS Re SE and AXIS Re Europe, the Swiss branch of the Irish reinsurance company, of which $12 million was released in net income (loss) and $13 million was released in other comprehensive income (loss). A valuation allowance of $2 million was also released against U.S. foreign tax credits that were utilized. A valuation allowance of $6 million was recorded against foreign tax credits held by AXIS Specialty Europe SE.

At December 31, 2023, the U.S. operations had a deferred tax asset of $54 million for the unrealized losses on its fixed maturities that were recorded in other comprehensive income (loss). We examined the need for a valuation allowance and after considering all positive and negative evidence concluded a valuation allowance against its net unrealized investment losses in the U.S was not required.

The tax expense of $22 million in 2022 was principally due to the generation of pre-tax income in our U.K., U.S. and European insurance operations, together with a valuation allowance on certain deferred tax assets, partially offset by the re-estimation of the amount of net deferred tax assets that would be realized at the 25% tax rate in the U.K. that took effect in 2023.

In 2022, the valuation allowance increased by $43 million. The net loss incurred by AXIS Re SE, the Irish reinsurance company, resulted in the recognition of a valuation allowance of $41 million against the net deferred tax assets of AXIS Re SE and AXIS Re Europe, the Swiss branch of the Irish reinsurance company, of which $22 million was recorded in net income (loss) and $19 million was recorded in other comprehensive income (loss). A partial valuation allowance of $2 million was also recorded against U.S. foreign tax credits.

At December 31, 2022, the U.S. operations had a deferred tax asset of $71 million for the unrealized losses on its fixed maturities that were recorded in other comprehensive income (loss). We examined the need for a valuation allowance and after considering all positive and negative evidence concluded a valuation allowance against its net unrealized investment losses in the U.S. was not required.

FINANCIAL MEASURES

We believe that the following financial indicators are important in evaluating performance and measuring the overall growth in value generated for common shareholders:

Year ended and at December 31,	2023	2022	2021
Return on average common equity[(1)]	**7.9 %**	4.3 %	12.2 %
Operating return on average common equity[(2)]	**11.0 %**	11.1 %	9.1 %
Book value per diluted common share[(3)]	**$ 54.06**	$ 46.95	$ 55.78
Cash dividends declared per common share	**$ 1.76**	$ 1.73	$ 1.69
Increase (decrease) in book value per diluted common share adjusted for dividends	**$ 8.87**	$ (7.10)	$ 2.38

(1) Return on average common equity ("ROACE") is calculated by dividing net income (loss) available (attributable) to common shareholders for the year by the average common shareholders' equity determined using the common shareholders' equity balances at the beginning and end of the year.

(2) Operating return on average common equity ("operating ROACE"), is a non-GAAP financial measure as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to the most comparable GAAP financial measure, ROACE, and a discussion of the rationale for its presentation is provided in *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures Reconciliation'*.

(3) Book value per diluted common share represents common shareholders' equity divided by the number of diluted common share outstanding, determined using the treasury stock method. Cash-settled restricted stock units are excluded.

Return on Average Common Equity

Our objective is to generate superior returns on capital that appropriately reward common shareholders for the risks we assume and to grow revenue only when we expect the returns will meet or exceed our requirements. We recognize that the nature of underwriting cycles and the frequency or severity of large loss events in any one year may challenge the ability to achieve a profitability target in any specific period.

ROACE reflects the impact of net income (loss) available (attributable) to common shareholders, including net investment gains (losses), foreign exchange losses (gains), reorganization expenses, and interest in income (loss) of equity method investments.

The increase in ROACE in 2023, compared to 2022, was primarily driven by a decrease in net investment losses, and an increase in net investment income, partially offset by foreign exchange losses, and a decrease in underwriting income.

Operating ROACE excludes the impact of net investment gains (losses), foreign exchange losses (gains), reorganization expenses, and interest in income (loss) of equity method investments.

Operating ROACE in 2023 was comparable to 2022 as a decrease in underwriting income was largely offset by an increase in net investment income.

Book Value per Diluted Common Share

We consider book value per diluted common share to be an appropriate measure of returns to common shareholders, as we believe growth in book value on a diluted basis will ultimately translate into appreciation of our stock price.

In 2023, book value per diluted common share increased by 15%, driven by net income for the year, and net unrealized investment gains reported in accumulated other comprehensive income (loss), partially offset by common dividends declared.

In 2022, book value per diluted common share decreased by 16%, due to the net unrealized investment losses reported in accumulated other comprehensive income (loss) and common dividends declared, partially offset by net income for the year.

Cash Dividends Declared per Common Share

We believe in returning excess capital to shareholders by way of dividends. Accordingly, dividend policy is an integral part of the value we create for shareholders. Our Board of Directors has approved quarterly common share dividends for twenty consecutive years.

Book Value per Diluted Common Share Adjusted for Dividends

Taken together, we believe that growth in book value per diluted common share and common share dividends declared represent the total value created for common shareholders. As companies in the insurance industry have differing dividend payout policies, we believe that investors use the book value per diluted common share adjusted for dividends metric to measure comparable performance across the industry.

In 2023, the increase in total value of $8.87, or 19%, was driven by net income for the year, and net unrealized investment gains reported in accumulated other comprehensive income (loss).

In 2022, the decrease in total value of $7.10, or 13%, was driven by net unrealized investment losses recognized in accumulated other comprehensive income (loss), partially offset by the net income for the year.

NON-GAAP FINANCIAL MEASURES RECONCILIATION

Years ended December 31,	2023	2022	2021
Net income available to common shareholders	**$ 346,042**	$ 192,833	$ 588,359
Net investment (gains) losses[1]	**74,630**	456,789	(134,279)
Foreign exchange losses (gains)[2]	**58,115**	(157,945)	315
Reorganization expenses[3]	**28,997**	31,426	—
Interest in income of equity method investments[4]	**(4,163)**	(1,995)	(32,084)
Income tax expense (benefit)	**(17,488)**	(23,177)	14,166
Operating income	**$ 486,133**	$ 497,931	$ 436,477
Earnings per diluted common share	**$ 4.02**	$ 2.25	$ 6.90
Net investment (gains) losses	**0.87**	5.33	(1.57)
Foreign exchange losses (gains)	**0.68**	(1.84)	—
Reorganization expenses	**0.34**	0.37	—
Interest in income of equity method investments	**(0.05)**	(0.02)	(0.38)
Income tax expense (benefit)	**(0.21)**	(0.28)	0.17
Operating income per diluted common share	**$ 5.65**	$ 5.81	$ 5.12
Weighted average diluted common shares outstanding[5]	**86,012**	85,669	85,291
Average common shareholders' equity	**$ 4,401,553**	$ 4,475,283	$ 4,803,175
Return on average common equity	**7.9%**	4.3%	12.2%
Operating return on average common equity	**11.0%**	11.1%	9.1%

(1) Tax expense (benefit) of $(10) million, $(36) million and $11 million for the years ended December 31, 2023, 2022 and 2021, respectively. Tax impact is estimated by applying the statutory rates of applicable jurisdictions, after consideration of other relevant factors including the ability to utilize capital losses.

(2) Tax expense (benefit) of $(3) million, $16 million and $3 million for the years ended December 31, 2023, 2022 and 2021, respectively. Tax impact is estimated by applying the statutory rates of applicable jurisdictions, after consideration of other relevant factors including the tax status of specific foreign exchange transactions.

(3) Tax expense (benefit) of $(5) million, $(4) million and $nil for the years ended December 31, 2023, 2022 and 2021, respectively. Tax impact is estimated by applying the statutory rates of applicable jurisdictions.

(4) Tax expense (benefit) of $nil for the years ended December 31, 2023, 2022 and 2021, respectively, Tax impact is estimated by applying the statutory rates of applicable jurisdictions.

(5) Refer to Item 8, Note 14 to the Consolidated Financial Statements *'Earnings Per Common Share'* for further details.

Rationale for the Use of Non-GAAP Financial Measures

We present our results of operations in a way we believe will be meaningful and useful to investors, analysts, rating agencies and others who use our financial information to evaluate our performance. Some of the measurements we use are considered non-GAAP financial measures under SEC rules and regulations. In this Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), we present underwriting-related general and administrative expenses, consolidated underwriting income (loss), operating income (loss) (*in total and on a per share basis*), operating return on average common equity ("operating ROACE"), amounts presented on a constant currency basis and pre-tax total return on cash and investments excluding foreign exchange movements, which are non-GAAP financial measures as defined in Item 10(e) of SEC Regulation S-K. We believe that these non-GAAP financial measures, which may be defined and calculated differently by other companies, help explain and enhance the understanding of our results of operations. However, these measures should not be viewed as a substitute for those determined in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Underwriting-Related General and Administrative Expenses

Underwriting-related general and administrative expenses include those general and administrative expenses that are incremental and/or directly attributable to our underwriting operations. While this measure is presented in Item 8, Note 3 to the Consolidated Financial Statements *'Segment Information'*, it is considered a non-GAAP financial measure when presented elsewhere on a consolidated basis.

Corporate expenses include holding company costs necessary to support our worldwide insurance and reinsurance operations and costs associated with operating as a publicly-traded company. As these costs are not incremental and/or directly attributable to our underwriting operations, these costs are excluded from underwriting-related general and administrative expenses, and therefore, consolidated underwriting income (loss). General and administrative expenses, the most comparable GAAP financial measure to underwriting-related general and administrative expenses, also includes corporate expenses.

The reconciliation of underwriting-related general and administrative expenses to general and administrative expenses, the most comparable GAAP financial measure, is presented in *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Consolidated Results of Operations'*.

Consolidated Underwriting Income (Loss)

Consolidated underwriting income (loss) is a pre-tax measure of underwriting profitability that takes into account net premiums earned and other insurance related income (loss) as revenues and net losses and loss expenses, acquisition costs and underwriting-related general and administrative expenses as expenses. While this measure is presented in Item 8, Note 3 to the Consolidated Financial Statements *'Segment Information'*, it is considered a non-GAAP financial measure when presented elsewhere on a consolidated basis.

We evaluate our underwriting results separately from the performance of our investment portfolio. As a result, we believe it is appropriate to exclude net investment income and net investment gains (losses) from our underwriting profitability measure.

Foreign exchange losses (gains) in our consolidated statements of operations primarily relate to the impact of foreign exchange rate movements on our net insurance-related liabilities. However, we manage our investment portfolio in such a way that unrealized and realized foreign exchange losses (gains) on our investment portfolio, including unrealized foreign exchange losses (gains) on our equity securities, and foreign exchange losses (gains) realized on the sale of our available for sale investments and equity securities recognized in net investment gains (losses), and unrealized foreign exchange losses (gains) on our available for sale investments in other comprehensive income (loss), generally offset a large portion of the foreign exchange losses (gains) arising from our underwriting portfolio, thereby minimizing the impact of foreign exchange rate movements on total shareholders' equity. As a result, we believe that foreign exchange losses (gains) in our consolidated statements of operations in isolation are not a meaningful contributor to our underwriting performance. Therefore, foreign exchange losses (gains) are excluded from consolidated underwriting income (loss).

Interest expense and financing costs primarily relate to interest payable on our debt and Federal Home Loan Bank advances. As these expenses are not incremental and/or directly attributable to our underwriting operations, these expenses are excluded from underwriting-related general and administrative expenses and, therefore, consolidated underwriting income (loss).

Reorganization expenses in 2023 include impairments of computer software assets and severance costs mainly attributable to our "How We Work" program which is focused on simplifying our operating structure. Reorganization expenses in 2022 included severance costs and impairments of computer software assets mainly attributable to our exit from catastrophe and property reinsurance lines of business which was part of an overall approach to reduce our exposure to volatile catastrophe risk. Reorganization expenses are primarily driven by business decisions, the nature and timing of which are not related to the underwriting process. Therefore, these expenses are excluded from consolidated underwriting income (loss).

Amortization of intangible assets including the value of business acquired ("VOBA") arose from business decisions, the nature and timing of which are not related to the underwriting process. Therefore, these expenses are excluded from consolidated underwriting income (loss).

We believe that the presentation of underwriting-related general and administrative expenses and consolidated underwriting income (loss) provides investors with an enhanced understanding of our results of operations, by highlighting the underlying pre-tax profitability of our underwriting activities. The reconciliation of consolidated underwriting income (loss) to net income (loss), the most comparable GAAP financial measure, is presented in *'Management's Discussion and Analysis of Financial Condition and Results of Operations – Consolidated Results of Operations'*.

Operating Income (Loss)

Operating income (loss) represents after-tax operational results exclusive of net investment gains (losses), foreign exchange losses (gains), reorganization expenses and interest in income (loss) of equity method investments.

Although the investment of premiums to generate income and investment gains (losses) is an integral part of our operations, the determination to realize investment gains (losses) is independent of the underwriting process and is heavily influenced by the availability of market opportunities. Furthermore, many users believe that the timing of the realization of investment gains (losses) is somewhat opportunistic for many companies.

Foreign exchange losses (gains) in our consolidated statements of operations primarily relate to the impact of foreign exchange rate movements on net insurance-related liabilities. However, we manage our investment portfolio in such a way that unrealized and realized foreign exchange losses (gains) on our investment portfolio, including unrealized foreign exchange losses (gains) on our equity securities and foreign exchange losses (gains) realized on the sale of our available for sale investments and equity securities recognized in net investment gains (losses) and unrealized foreign exchange losses (gains) on our available for sale investments in other comprehensive income (loss), generally offset a large portion of the foreign exchange losses (gains) arising from our underwriting portfolio, thereby minimizing the impact of foreign exchange rate movements on total shareholders' equity. As a result, we believe that foreign exchange losses (gains) in our consolidated statements of operations in isolation are not a meaningful contributor to the performance of our business. Therefore, foreign exchange losses (gains) are excluded from operating income (loss).

Reorganization expenses in 2023 include impairments of computer software assets and severance costs mainly attributable to our "How We Work" program which is focused on simplifying our operating structure. Reorganization expenses in 2022 included severance costs and impairments of computer software assets mainly attributable to our exit from catastrophe and property reinsurance lines of business which was part of an overall approach to reduce our exposure to volatile catastrophe risk. Reorganization expenses are primarily driven by business decisions, the nature and timing of which are not related to the underwriting process. Therefore, these expenses are excluded from operating income (loss).

Interest in income (loss) of equity method investments is primarily driven by business decisions, the nature and timing of which are not related to the underwriting process. Therefore, this income (loss) is excluded from operating income (loss).

Certain users of our financial statements evaluate performance exclusive of after-tax net investment gains (losses), foreign exchange losses (gains), reorganization expenses, and interest in income (loss) of equity method investments in order to understand the profitability of recurring sources of income.

We believe that showing net income (loss) available (attributable) to common shareholders exclusive of after-tax net investment gains (losses), foreign exchange losses (gains), reorganization expenses and interest in income (loss) of equity method investments reflects the underlying fundamentals of our business. In addition, we believe that this presentation enables investors and other users of our financial information to analyze performance in a manner similar to how our management analyzes the underlying business performance. We also believe this measure follows industry practice and, therefore, facilitates comparison of our performance with our peer group. We believe that equity analysts and certain rating agencies that follow us, and the insurance industry as a whole, generally exclude these items from their analyses for the same reasons. The reconciliation of operating income (loss) to net income (loss) available (attributable) to common shareholders, the most comparable GAAP financial measure, is presented above.

We also present operating income (loss) per diluted common share and operating ROACE, which are derived from the operating income (loss) measure and are reconciled above to the most comparable GAAP financial measures, earnings (loss) per diluted common share and return on average common equity ("ROACE"), respectively.

Constant Currency Basis

We present gross premiums written and net premiums earned on a constant currency basis in this MD&A. The amounts presented on a constant currency basis are calculated by applying the average foreign exchange rate from the current year to the prior year amounts. We believe this presentation enables investors and other users of our financial information to analyze growth in gross premiums written and net premiums earned on a constant basis. The reconciliation to gross premiums written and net premiums earned on a GAAP basis is presented in '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Results by Segment*'.

Pre-Tax Total Return on Cash and Investments excluding Foreign Exchange Movements

Pre-tax total return on cash and investments excluding foreign exchange movements measures net investment income (loss), net investments gains (losses), interest in income (loss) of equity method investments, and change in unrealized gains (losses) generated by average cash and investment balances. We believe this presentation enables investors and other users of our financial information to analyze the performance of our investment portfolio. The reconciliation of pre-tax total return on cash and investments excluding foreign exchange movements to pre-tax total return on cash and investments, the most comparable GAAP financial measure, is presented in '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Net Investment Income and Net Investment Gains (Losses)*'.

CASH AND INVESTMENTS

Details of cash and investments are as follows:

	December 31, 2023	December 31, 2022
	Fair value	**Fair value**
Fixed maturities, available for sale	**$ 12,234,742**	$ 11,326,894
Fixed maturities, held to maturity(1)	**675,851**	674,743
Equity securities	**588,511**	485,253
Mortgage loans	**610,148**	627,437
Other investments	**949,413**	996,751
Equity method investments	**174,634**	148,288
Short-term investments	**17,216**	70,310
Total investments	**$ 15,250,515**	$ 14,329,676
Cash and cash equivalents(2)	**$ 1,383,985**	$ 1,174,653

(1) Presented at net carrying value of $686 million (2022: $698 million) in the consolidated balance sheets.
(2) Includes restricted cash and cash equivalents of $431 million and $423 million for 2023 and 2022, respectively.

Overview

The fair value of total investments increased by $921 million in 2023, driven by the increase in market value of fixed maturities due to the decline in yields and the tightening of credit spreads, reinvestment of interest income and cashflows from operations.

An analysis of our investment portfolio by asset class is detailed below:

Fixed Maturities

Details of our fixed maturities portfolio are as follows:

	December 31, 2023		December 31, 2022	
	Fair value	% of total	Fair value	% of total
Fixed maturities:				
U.S. government and agency	**$ 3,007,528**	**23 %**	$ 2,639,330	22 %
Non-U.S. government	**723,959**	**6 %**	562,029	5 %
Corporate debt	**4,560,843**	**35 %**	4,329,328	36 %
Agency RMBS	**1,634,661**	**13 %**	1,202,785	10 %
CMBS	**839,696**	**7 %**	947,778	8 %
Non-agency RMBS	**153,396**	**1 %**	133,534	1 %
ABS	**1,832,151**	**14 %**	2,030,498	17 %
Municipals[(1)]	**158,359**	**1 %**	156,355	1 %
Total	**$ 12,910,593**	**100 %**	$ 12,001,637	100 %
Credit ratings:				
U.S. government and agency	**$ 3,007,528**	**23 %**	$ 2,639,330	22 %
AAA[(2)]	**2,745,192**	**21 %**	4,189,661	36 %
AA	**2,646,798**	**21 %**	871,966	7 %
A	**2,044,683**	**16 %**	1,835,746	15 %
BBB	**1,416,552**	**11 %**	1,377,638	11 %
Below BBB[(3)]	**1,049,840**	**8 %**	1,087,296	9 %
Total	**$ 12,910,593**	**100 %**	$ 12,001,637	100 %

(1) Includes bonds issued by states, municipalities, and political subdivisions.
(2) Includes U.S. government-sponsored agencies, residential mortgage-backed securities ("RMBS") and commercial mortgage-backed securities ("CMBS").
(3) Non-investment grade and non-rated securities.

At December 31, 2023, fixed maturities had a weighted average credit rating of AA- (2022: AA-), a book yield of 4.2% (2022: 3.5%), and an average duration of 3.0 years (2022: 3.0 years).

At December 31, 2023, fixed maturities together with short-term investments and cash and cash equivalents (i.e., total investments of $14.3 billion) had a weighted average credit rating of AA- (2022: AA-) and an average duration of 2.7 years (2022: 2.8 years).

Our methodology for assigning credit ratings to fixed maturities is in line with the methodology used for the Barclays U.S. Aggregate Bond index. This methodology uses the midpoint of Standard & Poor's (S&P), Moody's and Fitch ratings. When ratings from only two of these agencies are available, the lower rating is used. When only one agency rates a security, that rating is used. When ratings provided by S&P, Moody's and Fitch are not available, ratings from other nationally recognized agencies are used.

To calculate the weighted average credit rating for fixed maturities, we assign points to each rating with the highest points assigned to the highest rating (AAA) and the lowest points assigned to the lowest rating (D) and then calculate the weighted average based on the fair values of the individual securities. Securities that are not rated are excluded from weighted average calculations. At December 31, 2023, the fair value of fixed maturities not rated was $17 million (2022: $31 million).

In addition to managing credit risk exposure within our fixed maturities portfolio we also monitor the aggregation of country risk exposure on a group-wide basis. Country risk exposure is the risk that events in a country, such as currency crises, regulatory changes and other political events, will adversely affect the ability of obligors in the country to honor their obligations. For corporate debt and structured securities, we measure the country of risk exposure based on a number of factors including, but not limited to, location of management, principal operations and country of revenues.

An analysis of our fixed maturities portfolio by major asset classes is detailed below:

Non-U.S. Government

Non-U.S. government securities include bonds issued by non-U.S. governments and their agencies along with supranational organizations (collectively also known as sovereign debt securities).

Details of exposures to governments in the eurozone and other non-U.S. government concentrations by fair value are as follows:

	December 31, 2023			December 31, 2022		
Country	**Fair value**	**% of total**	**Weighted average credit rating**	**Fair value**	**% of total**	**Weighted average credit rating**
Eurozone countries:						
Supranationals[1]	**$ 41,888**	**6 %**	**AAA**	$ 16,867	3 %	AAA
Germany	**26,788**	**4 %**	**AAA**	5,037	1 %	AAA
Netherlands	**14,604**	**2 %**	**AA+**	9,512	2 %	AA+
France	**2,637**	**— %**	**A-**	1,061	— %	AA
Austria	**—**	**— %**	**—**	2,346	— %	AA+
Total eurozone	**85,917**	**12 %**	**AAA**	34,823	6 %	AA+
Other concentrations:						
Canada	**338,384**	**47 %**	**AA+**	300,674	53 %	AA+
United Kingdom	**224,809**	**31 %**	**AA-**	168,068	30 %	AA-
Mexico	**7,478**	**1 %**	**BBB**	10,151	2 %	BBB
Other	**67,371**	**9 %**	**AA+**	48,313	9 %	AA
Total other concentrations	**638,042**	**88 %**	**AA**	527,206	94 %	AA
Total non-U.S. government	**$ 723,959**	**100 %**	**AA**	$ 562,029	100 %	AA

(1) Includes supranationals only in the eurozone.

At December 31, 2023, net unrealized losses on non-U.S. government securities were $6 million (2022: $51 million) which included gross unrealized foreign exchange losses of $6 million (2022: $24 million), mainly related to U.K. government bonds.

Corporate Debt

Corporate debt securities consist primarily of investment grade debt of a wide variety of corporate issuers and industries.

Details of our corporate debt securities portfolio by sector are as follows:

	December 31, 2023			December 31, 2022		
	Fair value	**% of total**	**Weighted average credit rating**	**Fair value**	**% of total**	**Weighted average credit rating**
Financial institutions:						
U.S. banks	**$ 760,807**	**17 %**	**A**	$ 786,541	18 %	A
Corporate/commercial finance	**465,953**	**10 %**	**BBB**	445,524	10 %	BBB
Non-U.S. banks	**397,097**	**9 %**	**A**	346,176	8 %	A-
Insurance	**150,553**	**3 %**	**A**	162,107	4 %	A
Investment brokerage	**104,881**	**2 %**	**BBB+**	117,706	3 %	A
Total financial institutions	**1,879,291**	**41 %**	**A-**	1,858,054	43 %	A-
Consumer non-cyclicals	**518,596**	**11 %**	**BBB**	533,543	12 %	BBB-
Consumer cyclical	**472,162**	**10 %**	**BB+**	411,559	10 %	BB
Communications	**359,590**	**8 %**	**BBB-**	369,295	9 %	BB+
Industrials	**451,066**	**10 %**	**BB**	407,318	9 %	BB
Technology	**230,864**	**5 %**	**BBB-**	211,740	5 %	BBB-
Utilities	**215,787**	**5 %**	**BBB+**	166,481	4 %	BBB+
Energy	**204,682**	**4 %**	**BBB-**	164,770	4 %	BBB-
Other	**228,805**	**6 %**	**A+**	206,568	4 %	A
Total	**$ 4,560,843**	**100 %**	**BBB**	$ 4,329,328	100 %	BBB
Credit quality summary:						
Investment grade	**$ 3,537,795**	**78 %**	**A-**	$ 3,308,131	76 %	A-
Non-investment grade	**1,023,048**	**22 %**	**B+**	1,021,197	24 %	B+
Total	**$ 4,560,843**	**100 %**	**BBB**	$ 4,329,328	100 %	BBB

At December 31, 2023, our non-investment grade portfolio had a fair value of $1,023 million (2022: $1,021 million), a weighted average credit rating of B+ (2022: B+) and duration of 2.4 years (2022: 2.9 years). At December 31, 2023, our corporate debt portfolio, including non-investment grade securities, had a duration of 3.4 years (2022: 3.6 years).

Mortgage-Backed Securities

Details of the fair values of our RMBS and CMBS portfolios by credit rating are as follows:

	December 31, 2023		December 31, 2022	
	RMBS	**CMBS**	**RMBS**	**CMBS**
Government agency	**$ 1,634,661**	**$ 69,973**	$ 1,202,785	$ 48,805
AAA	**144,437**	**711,636**	121,188	833,850
AA	**5,389**	**45,094**	4,192	60,207
A	**1,371**	**6,937**	3,682	4,916
BBB	**100**	**650**	122	—
Below BBB[(1)]	**2,099**	**5,406**	4,350	—
Total	**$ 1,788,057**	**$ 839,696**	$ 1,336,319	$ 947,778

(1) Non-investment grade securities.

Residential MBS

Agency RMBS consist of bonds issued by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association, which are primarily AA+ rated and are supported by loans which are diversified across geographical areas. At December 31, 2023, agency RMBS had an average duration of 5.2 years (2022: 5.7 years).

Non-agency RMBS mainly include investment grade bonds originated by non-agencies. At December 31, 2023, 98% (2022: 94%) of our non-agency RMBS were rated AA or better. At December 31, 2023, non-agency RMBS had an average duration of 4.0 years (2022: 4.6 years) and weighted average life of 5.6 years (2022: 6.7 years).

Commercial MBS

CMBS mainly include investment grade bonds originated by non-agencies. At December 31, 2023, 98% (2022: 99%) of our CMBS were rated AA or better. At December 31, 2023, the weighted average estimated subordination percentage of the portfolio was 37% (2022: 38%), which represents the current weighted average estimated percentage of the capital structure subordinated to the investment holding that is available to absorb losses before the security incurs the first dollar loss of principal. At December 31, 2023, CMBS had an average duration of 2.2 years (2022: 2.4 years) and weighted average life of 2.8 years (2022: 3.3 years).

Asset-Backed Securities

ABS mainly include investment grade bonds backed by pools of loans with a variety of underlying collateral, including auto loans, student loans, credit card receivables and collateralized loan obligations ("CLOs") originated by a variety of financial institutions.

Details of the fair value of our ABS portfolio by underlying collateral and credit rating are as follows:

	Asset-backed securities					
	AAA	**AA**	**A**	**BBB**	**Below BBB**	**Total**
At December 31, 2023						
CLO - debt tranches	**$ 793,769**	**$ 334,573**	**$ 71,621**	**$ 28,419**	**$ —**	**$ 1,228,382**
Auto loans	**267,430**	**—**	**—**	**—**	**—**	**267,430**
Student loans	**62,914**	**14,596**	**—**	**—**	**—**	**77,510**
Credit card receivables	**68,568**	**558**	**—**	**—**	**—**	**69,126**
Other	**155,826**	**7,888**	**18,879**	**6,763**	**347**	**189,703**
Total	**$ 1,348,507**	**$ 357,615**	**$ 90,500**	**$ 35,182**	**$ 347**	**$ 1,832,151**
% of total	**73%**	**20%**	**5%**	**2%**	**—%**	**100%**
At December 31, 2022						
CLO - debt tranches	$ 994,961	$ 306,934	$ 72,319	$ 26,257	$ 25,650	$ 1,426,121
Auto loans	237,884	4,728	—	—	—	242,612
Student loans	104,023	4,401	—	—	—	108,424
Credit card receivables	38,848	534	—	—	—	39,382
Other	178,447	12,351	16,803	6,017	341	213,959
Total	$ 1,554,163	$ 328,948	$ 89,122	$ 32,274	$ 25,991	$ 2,030,498
% of total	77%	16%	4%	2%	1%	100%

At December 31, 2023, the average duration our ABS portfolio was 0.6 years (2022: 0.5 years) and the weighted average life was 3.0 years (2022: 3.7 years).

Municipals

Municipals comprise revenue bonds and general obligation bonds issued by U.S. domiciled state and municipal entities and are primarily held in the taxable portfolios of our U.S. subsidiaries.

At December 31, 2023, our municipals had a fair value of $158 million (2022: $156 million), a weighted average credit rating of AA- (2022: AA-) and duration of 3.9 years (2022: 4.4 years).

Gross Unrealized Losses

At December 31, 2023, the gross unrealized losses on our fixed maturities, available for sale portfolio were $481 million (2022: $857 million).

Investment grade fixed maturities, available for sale

The severity of the unrealized loss position as a percentage of amortized cost for all investment grade fixed maturities in an unrealized loss position including any impact of foreign exchange losses (gains) was as follows:

	December 31, 2023			December 31, 2022		
Severity of Unrealized Loss	**Fair value**	**Gross unrealized losses**	**% of total gross unrealized losses**	**Fair value**	**Gross unrealized losses**	**% of total gross unrealized losses**
0-10%	**$ 5,843,552**	**$ (194,115)**	**42 %**	$ 6,176,828	$ (265,175)	33 %
10-20%	**1,590,548**	**(245,428)**	**52 %**	2,315,291	(372,213)	47 %
20-30%	**102,208**	**(26,886)**	**6 %**	520,482	(147,575)	19 %
30-40%	**193**	**(79)**	**— %**	15,622	(6,948)	1 %
40-50%	**—**	**—**	**— %**	1,002	(735)	— %
> 50%	**946**	**(1,070)**	**— %**	4	(27)	— %
Total	**$ 7,537,447**	**$ (467,578)**	**100 %**	$ 9,029,229	$ (792,673)	100 %

The decrease in gross unrealized losses on investment grade fixed maturities reflected the impact of the decline in yields and the tightening of credit spreads on investment grade corporate debt securities.

Non-investment grade fixed maturities, available for sale

The severity of the unrealized loss position as a percentage of amortized cost for all non-investment grade fixed maturities in an unrealized loss position including any impact of foreign exchange losses (gains) was as follows:

	December 31, 2023			December 31, 2022		
Severity of Unrealized Loss	**Fair value**	**Gross unrealized losses**	**% of total gross unrealized losses**	**Fair value**	**Gross unrealized losses**	**% of total gross unrealized losses**
0-10%	**$ 348,188**	**$ (9,597)**	**74 %**	$ 644,995	$ (28,536)	44 %
10-20%	**23,295**	**(3,073)**	**24 %**	179,291	(26,642)	42 %
20-30%	**1,475**	**(112)**	**1 %**	28,414	(6,649)	10 %
30-40%	**—**	**—**	**— %**	1,393	(495)	1 %
40-50%	**—**	**—**	**— %**	738	(410)	1 %
> 50%	**45**	**(155)**	**1 %**	652	(1,183)	2 %
Total	**$ 373,003**	**$ (12,937)**	**100 %**	$ 855,483	$ (63,915)	100 %

The decrease in gross unrealized losses on non-investment grade fixed maturities reflected the impact of the tightening of credit spreads on non-investment grade high yield corporate debt securities.

Equity Securities

At December 31, 2023, net unrealized gains on equity securities were $45 million (2022: net unrealized losses of $9 million). The increase was driven by the rally in global equity markets.

Mortgage Loans

During 2023, investment in commercial mortgage loans decreased to $610 million from $627 million, a decrease of $17 million. The commercial mortgage loans are high quality, and collateralized by a variety of commercial properties and diversified geographically throughout the U.S. and by property type to reduce the risk of concentration. At December 31, 2023, there are two collateral dependent loans with estimated loan-to-value ratios in excess of 100%, resulting in an allowance for expected credit loss of $6 million (2022: $nil).

Other Investments

Details of our other investments portfolio are as follows:

	December 31, 2023		December 31, 2022	
Multi-strategy funds	**$ 24,619**	**3 %**	$ 32,616	3 %
Direct lending funds	**192,270**	**20 %**	258,626	26 %
Private equity funds	**301,712**	**32 %**	265,836	27 %
Real estate funds	**317,325**	**33 %**	298,499	30 %
Total multi-strategy, direct lending, private equity and real estate funds	**835,926**	**88 %**	855,577	86 %
CLO-Equities	**5,300**	**1 %**	5,016	— %
Other privately held investments	**108,187**	**11 %**	136,158	14 %
Total other investments	**$ 949,413**	**100 %**	$ 996,751	100 %

Refer to Item 8, Note 5(e) to the Consolidated Financial Statements *'Investments'*.

Equity Method Investments

Our ownership interests in Harrington Reinsurance Holdings Limited ("Harrington") and Monarch Point Re (ISAC) Ltd. and Monarch Point Re (ISA 2023) Ltd. (collectively "Monarch Point Re") are reported in interest in income (loss) of equity method investments.

Interest in income (loss) of equity method investments of $4 million in 2023 was comparable to $2 million in 2022, as higher investment gains realized by Harrington were largely offset by higher underwriting losses at Harrington.

Restricted Assets

Refer to Item 8, Note 5(j) to the Consolidated Financial Statements *'Investments'*.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Liquidity is a measure of a company's ability to generate cash flows sufficient to meet the short-term and long-term cash requirements of its business operations. We manage liquidity at the holding company and operating subsidiary level.

Holding Company

As a holding company, AXIS Capital has no operations of its own and its assets consist primarily of investments in its subsidiaries. Accordingly, AXIS Capital's future cash flows depend on the availability of dividends or other statutorily permissible distributions, such as returns of capital, from its subsidiaries.

The ability to pay such dividends and/or distributions is limited by the applicable laws and regulations of the various countries and states in which AXIS Capital's subsidiaries operate (refer to Item 8, Note 22 to the Consolidated Financial Statements *'Statutory Financial Information'* for further details), as well as the need to maintain capital levels to adequately support insurance and reinsurance operations, and to preserve financial strength ratings issued by independent rating agencies.

During 2023, AXIS Capital received $375 million (2022: $225 million) of distributions from its subsidiaries. AXIS Capital's primary uses of funds are dividend payments to common and preferred shareholders, interest and principal payments on debt, capital investments in subsidiaries, and payment of corporate operating expenses. We believe the dividend/distribution capacity of AXIS Capital's subsidiaries, which was $0.9 billion at December 31, 2023, will provide AXIS Capital with sufficient liquidity for the foreseeable future.

Operating Subsidiaries

AXIS Capital's operating subsidiaries primarily derive cash from the net inflow of premiums less claim payments related to underwriting activities and from net investment income. Historically, these cash receipts have been sufficient to fund the operating expenses of these subsidiaries, as well as to fund dividend payments to AXIS Capital. The subsidiaries' remaining cash flows are generally invested in our investment portfolio and have also been used to fund common share repurchases in recent years.

The insurance and reinsurance business of our operating subsidiaries inherently provide liquidity, as premiums are received in advance (sometimes substantially in advance) of the time losses are paid. However, the amount of cash required to fund loss payments can fluctuate significantly from period to period, due to the low frequency/high severity nature of certain types of business we write.

Consolidated cash flows from operating, investing and financing activities in the last three years were as follows:

Total cash provided by (used in)(1)	**2023**	**2022**	**2021**
Operating activities	**$ 1,255,559**	$ 798,038	$ 1,197,692
Investing activities	**(855,610)**	(761,620)	(1,197,065)
Financing activities	**(202,371)**	(149,622)	(186,095)
Effect of exchange rate changes on cash	**11,754**	(29,833)	(74)
Increase (decrease) in cash and cash equivalents	**$ 209,332**	$ (143,037)	$ (185,542)

(1) Refer to Item 8, '*Consolidated Statements of Cash Flows*' for further details.

Operating activities

- Net cash provided by operating activities was $1,256 million in 2023 compared to $798 million in 2022. Cash inflows from insurance and reinsurance operations typically include premiums, net of acquisition costs, and reinsurance recoverables. Cash outflows principally include payments of losses and loss expenses, payments of premiums to reinsurers and operating expenses. Cash provided by operating activities can fluctuate due to timing differences between the collection of premiums and reinsurance recoverables and the payment of losses and loss expenses, and the payment of premiums to reinsurers.

- Operating cash inflows increased in 2023 compared to 2022, primarily attributable to an increase in interest and dividends received from our investment portfolio and an increase in premiums received, partially offset by a decrease in reinsurance recoverables received and an increase in payments of premiums to reinsurers.

Investing activities

- Investing cash outflows in 2023 were principally related to the net purchases of fixed maturities of $554 million, equity securities of $34 million, equity method investments of $22 million, loan advances made to third party reinsurers of $350 million and purchases of other assets of $31 million, partially offset by the net proceeds from the sale of other investments of $67 million and net proceeds from the sales and redemptions/repayments of short-term investments of $56 million and mortgage loans of $12 million.

- Investing cash outflows in 2022 were principally related to the net purchases of fixed maturities of $599 million, loan advances made to third party reinsurers of $106 million, short term investment of $40 million, and mortgage loans of $33 million and purchases of other assets of $37 million, partially offset by the net proceeds from the sale of equity securities of $44 million, and other investments of $9 million.

Financing activities

- Financing cash outflows in 2023 were principally due to dividends paid to common and preferred shareholders of $184 million, and the repurchase of common shares of $24 million, partially offset by the receipt of the Federal Home Loan Bank advances of $5 million.

- Financing cash outflows in 2022 were principally due to dividends paid to common and preferred shareholders of $180 million, and the repurchase of common shares of $49 million, partially offset by the receipt of the Federal Home Loan Bank advances of $79 million.

- The declaration and payment of future dividends and share repurchases is at the discretion of our Board of Directors and will depend on many factors including, but not limited to, our net income, financial condition, business needs, capital and surplus requirements of our operating subsidiaries and regulatory and contractual restrictions, including those detailed in our credit facilities (refer to *'Capital Resources – Share Repurchases'* below for further details).

We have generated positive operating cash flows in all years since 2003, with the exception of 2009 which was impacted by the global financial crisis. These positive cash flows were generated even with the recognition of significant catastrophe and weather-related losses including the impact of the COVID-19 pandemic in 2020 and 2021.

Net losses and loss expenses, gross of reinstatement premiums, included estimates of ultimate losses for catastrophe and weather-related losses of $138 million in 2023, $404 million in 2022 and $450 million in 2021. There remains significant uncertainty associated with estimates of ultimate losses for certain of these events (refer to *'Underwriting Results – Insurance segment – Current Accident Year Loss' and 'Underwriting Results – Reinsurance segment – Current Accident Year Loss Ratio'* for further details), as well as the timing of the associated cash outflows.

Should claim payment obligations accelerate beyond our ability to fund payments from operating cash flows, we would utilize cash and cash equivalent balances and/or liquidate a portion of our investment portfolio.

For context, at January 1, 2024, our largest 1-in-250 year return period, single occurrence, single-zone modeled probable maximum loss (California Earthquake) was approximately $163 million, net of reinsurance. Claim payments pertaining to such an event would be paid out over a period spanning many months. Our internal risk tolerance framework aims to limit the loss of capital due to a single event and the loss of capital that would occur from multiple but perhaps smaller events, in any year (refer to Item 1 *'Risk and Capital Management'* for further details).

Our investment portfolio is heavily weighted towards conservative, high quality and highly liquid securities. We expect that, if necessary, approximately $13.6 billion of cash and invested assets at December 31, 2023 could be available in one to three business days under normal market conditions. Of this amount, $5.3 billion related to restricted assets, which primarily support our obligations in regulatory jurisdictions where we operate as a non-admitted carrier (refer to Item 8, Note 5(j) to the Consolidated Financial Statements *'Investments'* for further details).

We expect that cash flows generated from operations, combined with the liquidity provided by our investment portfolio, to be sufficient to cover required cash outflows and other contractual commitments through the foreseeable future (refer to *'Contractual Obligations and Commitments'* below for further details).

Capital Resources

In addition to common equity, we have utilized other external sources of financing, including debt, preferred shares, and letter of credit facilities to support our business operations. We believe that we hold sufficient capital to allow us to take advantage of market opportunities and to maintain our financial strength ratings, as well as to comply with various local statutory regulations. We monitor capital adequacy on a regular basis and will seek to adjust our capital base according to the needs of our business (refer to Item 1 *'Risk and Capital Management'* for further details).

The following table summarizes consolidated capital:

At December 31,	2023	2022
Debt	$ 1,313,714	$ 1,312,314
Preferred shares	550,000	550,000
Common equity	4,713,196	4,089,910
Shareholders' equity	5,263,196	4,639,910
Total capital	$ 6,576,910	$ 5,952,224
Ratio of debt to total capital	20.0 %	22.0 %

We finance our operations with a combination of debt and equity capital. The debt to total capital ratio provides an indication of our capital structure, along with some insight into our financial strength.

While the impact of net unrealized investment losses recognized in accumulated other comprehensive income (loss), following a decrease in market value of our fixed maturities, has reduced common shareholders' equity, we believe that our financial flexibility remains strong, and adjustments are made if there are developments that are different from previous expectations.

Debt

Debt represents the 5.150% Senior Notes issued in 2014, which will mature in 2045, the 4.000% Senior Notes issued in 2017, which will mature in 2027, the 3.900% Senior Notes issued in 2019, which will mature in 2029, and the 4.900% Junior Subordinated Notes issued in 2019, which will mature in 2040 (refer to Item 8, Note 10(a) to the Consolidated Financial Statements *'Debt and Financing Arrangements'* for further details).

The 3.900% Senior Notes and the 4.900% Junior Subordinated Notes were issued to finance the repayment of $500 million aggregate principal amount of 5.875% Senior Notes that matured in June 2020 and to finance the redemption of Series D preferred shares on January 17, 2020 (refer to *'Preferred Shares'* below for further details).

Federal Home Loan Bank Advances

The Company's subsidiaries, AXIS Insurance Company and AXIS Surplus Insurance Company, are members of the Federal Home Loan Bank of Chicago ("FHLB").

Members may borrow from the FHLB at competitive rates subject to certain conditions. At December 31, 2023, the companies had admitted assets of approximately $3 billion which provides borrowing capacity of up to approximately $759 million. Conditions of membership include maintaining sufficient collateral deposits for funding, a requirement to maintain member stock at 0.4% of mortgage-related assets at December 31st of the prior year, and a requirement to purchase additional member stock of 2.0% or 4.5% of any amount borrowed (refer to Item 8, Note 11 to the Consolidated Financial Statements *'Federal Home Loan Bank Advances'* for further details).

At December 31, 2023, the Company had $86 million (2022: $81 million) of borrowings under the FHLB program, with maturities in 2024 and interest payable at interest rates between 5.6% and 5.9% (2022: 2.3% and 4.7%).

For the year ended December 31, 2023, the Company incurred interest expense of $5 million (2022: $1 million). The borrowings under the FHLB program are secured by cash and investments with a fair value of $95 million (2022: $91 million).

Preferred Shares

Series E Preferred Shares

On November 7, 2016, we issued $550 million of 5.50% Series E preferred shares with a liquidation preference of $2,500 per share (equivalent to $25 per depositary share). Dividends on the Series E preferred shares are non-cumulative. To the extent declared, dividends accumulate, with respect to each dividend period, in an amount per share equal to 5.50% of the liquidation preference per annum (equivalent to $137.50 per Series E preferred share and $1.375 per depositary share). We may redeem these shares on or after November 7, 2021 at a redemption price of $2,500 per Series E preferred share (equivalent to $25 per depositary share) (refer to Item 8, Note 15 to the Consolidated Financial Statements *'Shareholders' Equity' for further details*).

Secured Letter of Credit Facilities

We routinely enter into agreements with financial institutions to obtain secured letter of credit facilities.

These facilities are primarily used for the issuance of letters of credit, in the normal course of operations, to certain insurance and reinsurance entities that purchase reinsurance protection from us. These letters of credit allow those operations to take credit, under local insurance regulations, for reinsurance obtained in jurisdictions where AXIS Capital's subsidiaries are not licensed or otherwise admitted as an insurer. The value of our letters of credit outstanding is driven by, among other factors, the amount of unearned premiums, development of loss reserves, the payment patterns of loss reserves, the expansion of our business and the loss experience of that business.

A portion of these facilities may also be used for liquidity purposes.

At December 31, 2023, certain of AXIS Capital's operating subsidiaries (the "Participating Subsidiaries") had a $500 million letter of credit facility available from Citibank Europe plc ("Citibank") (the "$500 million Facility").

At December 31, 2023, letters of credit outstanding were $325 million (refer to Item 8, Note 10 to the Consolidated Financial Statements *'Debt and Financing Arrangements'* for further details).

Common Equity

During the year ended December 31, 2023, common equity increased by $623 million. The following table reconciles opening and closing common equity positions:

Year ended December 31,	2023	2022
Common equity - opening	**$ 4,089,910**	$ 4,860,656
Share-based compensation expense	**57,207**	51,249
Change in unrealized gains (losses) on available for sale investments, net of tax	**396,036**	(805,850)
Foreign currency translation adjustment	**(1,572)**	(10,986)
Net income	**376,292**	223,083
Preferred share dividends	**(30,250)**	(30,250)
Common share dividends	**(152,536)**	(150,556)
Treasury shares repurchased	**(23,596)**	(48,981)
Treasury shares reissued	**1,705**	1,545
Common equity - closing	**$ 4,713,196**	**$ 4,089,910**

Share Repurchases

During 2023, we repurchased 398,000 common shares for a total of $24 million from employees to facilitate the satisfaction of their personal withholding tax liabilities that arise on vesting of share-settled restricted stock units granted under our 2017 Long-Term Equity Compensation Plans.

As part of our capital management strategy, our Board of Directors authorizes common share repurchase programs. On December 8, 2022, our Board of Directors authorized a new share repurchase program for up to $100 million of our common shares, effective January 1, 2023, through December 31, 2023. (refer to Item 5 '*Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*'). Share repurchases may be effected from time to time in the open market or privately negotiated transactions, depending on market conditions.

On December 7, 2023, our Board of Directors renewed its authorization for the repurchase of up to $100 million of our common shares, effective January 1, 2024, through December 31, 2024.

In 2024, we repurchased common shares for a total of $52 million pursuant to our Board-authorized share repurchase program.

Shelf Registrations

On November 9, 2022, we filed an unallocated universal shelf registration statement with the SEC, which became effective on filing. Pursuant to the shelf registration, we may issue an unlimited amount of equity, debt, warrants, purchase contracts or a combination of these securities. Our intent and ability to issue securities pursuant to this registration statement will depend on market conditions at the time of any proposed offering.

Financial Strength Ratings

Operating subsidiaries

Our principal insurance and reinsurance operating subsidiaries are assigned financial strength ratings from internationally recognized rating agencies, including Standard & Poor’s, A.M. Best, and Moody’s Investors Service. These ratings are publicly announced and are available directly from the agencies, and on our website.

Financial strength ratings represent the opinions of the rating agencies on the overall financial strength of a company and its capacity to meet the obligations of its insurance and reinsurance contracts. Independent ratings are one of the important factors that establish a competitive position in insurance and reinsurance markets. The rating agencies consider many factors in determining the financial strength rating of an insurance company, including the relative level of statutory surplus necessary to support the business operations of the company. These ratings are based on factors considered by the rating agencies to be relevant to policyholders, agents and intermediaries and are not directed toward the protection of investors. Ratings are not recommendations to buy, sell or hold securities.

The following are the most recent financial strength ratings from internationally recognized agencies in relation to our principal insurance and insurance operating subsidiaries:

Rating agency	Agency’s description of rating	Rating and outlook	Agency’s rating definition	Ranking of rating
Standard & Poor’s	An "opinion about the financial security characteristics of an insurance organization, with respect to its ability to pay under its insurance policies and contracts, in accordance with their terms".	A+ (Stable) (1)	"Strong capacity to meet its financial commitments"	The 'A' category is the third highest out of ten major rating categories. The second through eighth major rating categories may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.
A.M. Best	An "opinion of an insurer’s financial strength and ability to meet its ongoing insurance policy and contract obligations".	A (Stable) (2)	"Excellent ability to meet ongoing insurance obligations"	The 'A' category is the third highest rating out of fourteen. Ratings outlooks ('Positive', 'Negative' and 'Stable') are assigned to indicate a rating’s potential direction over an intermediate term, generally defined as 36 months.
Moody’s Investors Service	"Opinions of the ability of insurance companies to pay punctually senior policyholder claims and obligations."	A2 (Stable) (3)	"Offers good financial security"	The 'A' category is the third highest out of nine rating categories. Each of the second through seventh categories are subdivided into three subcategories, as indicated by an appended numerical modifier of '1', '2' and '3'. The '1' modifier indicates that the obligation ranks in the higher end of the rating category, the '2' modifier indicates a mid-category ranking and the '3' modifier indicates a ranking in the lower end of the rating category.

(1) On July 20, 2022, Standard and Poor's revised its outlook from negative to stable due to improved underwriting performance and reduced prospective earnings volatility as a result of our exit from property and catastrophe reinsurance lines of business.
(2) On May 5, 2020, A.M. Best revised its rating and outlook from A+ and negative to A and stable, respectively. The revised rating was based on unfavorable trends in operating performance over the past five years, particularly emanating from the insurance segment. The revised outlook continues to reflect our strong balance sheet, favorable business profile and appropriate risk management practices.
(3) On May 31, 2022, Moody's Investors Service revised its outlook from negative to stable due to improved core underwriting profitability and reduced catastrophe risk exposure.

Non-operating holding companies

On November 17, 2023, Standard and Poor's placed AXIS Capital Holding Limited and the securities guaranteed by this non-operating holding company on CreditWatch Negative due to the potential regulatory restrictions to payments from Bermuda-based insurance and reinsurance operating companies to non-operating holding companies. On January 29, 2024, Standard and Poor's removed AXIS Capital Holdings Limited and related securities from Negative CreditWatch affirming the credit rating of AXIS Capital Holding Company at A- (Stable). In addition, Standard & Poor's also reaffirmed the A+ Financial Strength and issuer credit ratings on all core operating subsidiaries, with a Stable outlook. The stable outlook reflects Standard and Poor's expectation that AXIS will sustain its strong competitive position supported by solid, less-volatile underwriting performance, and will maintain capital adequacy at the 99.99% (or extreme stress) level in 2023-2025.

Contractual Obligations and Commitments

At December 31, 2023, contractual obligations and commitments by period due were:

	Payment due by period				
Contractual obligations and commitments	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Operating activities					
Estimated gross losses and loss expenses payments(1)	$ 16,434,018	$ 4,541,740	$ 5,224,707	$ 2,876,765	$ 3,790,806
Operating lease obligations(2)	123,101	12,416	25,411	19,684	65,590
Investing activities					
Unfunded investment commitments(3)	527,125	282,008	71,793	93,347	79,977
Financing activities					
Debt (principal payments)(4)	1,325,000	—	—	350,000	975,000
Debt (interest payments)(4)(5)	530,511	60,865	121,934	106,811	240,901
Total	**$ 18,939,755**	**$ 4,897,029**	**$ 5,443,845**	**$ 3,446,607**	**$ 5,152,274**

(1) We are obligated to pay claims for specified loss events covered by the insurance and reinsurance contracts that we write. Loss payments represent our most significant future payment obligation. In contrast to our other contractual obligations, cash payments are not determinable from the terms specified within the underlying contracts. Our best estimate of reserve for losses and loss expenses is reflected in the table above. Actual amounts and timing may differ materially from our best estimate (refer to '*Critical Accounting Estimates – Reserve for Losses and Loss Expenses*' for further details). We have not taken into account corresponding reinsurance recoverable on unpaid amounts that would be due to us.

(2) In the ordinary course of business, we renew and enter into new leases for office space which expire at various dates (refer to Item 8, Note 13 to the Consolidated Financial Statements '*Leases*' for further details).

(3) We have $502 million of unfunded investment commitments related to our other investments portfolio, which are callable by our investment managers (refer to Item 8, Note 5(e) to the Consolidated Financial Statements '*Investments*' for further details). In addition, we have $10 million of unfunded commitments related to our commercial mortgage loans portfolio and $16 million of unfunded commitments related to our corporate debt portfolio.

(4) Refer to Item 8, Note 10(a) to the Consolidated Financial Statements '*Debt and Financing Arrangements*' for further details.

(5) Debt (interest payments) includes $11 million of unamortized discount and debt issuance expenses.

CRITICAL ACCOUNTING ESTIMATES

The consolidated financial statements include certain amounts that are inherently uncertain and judgmental in nature. As a result, we are required to make assumptions and best estimates to determine the reported values. We consider an accounting estimate to be critical if: (1) it requires that significant assumptions be made to deal with uncertainties and (2) changes in the estimate could have a material impact on our results of operations, financial condition, or liquidity.

We believe that the material items requiring such subjective and complex estimates are:

- reserves for losses and loss expenses;
- reinsurance recoverable on unpaid losses and loss expenses, including the allowance for expected credit losses;
- gross premiums written and net premiums earned;
- fair value measurements of financial assets and liabilities; and
- the allowance for credit losses associated with fixed maturities, available for sale.

Significant accounting policies are also important to understanding the consolidated financial statements (refer to Item 8, Note 2 to the Consolidated Financial Statements *'Basis of Presentation and Significant Accounting Policies'* for further details).

We believe that the amounts included in the consolidated financial statements reflect management's best judgment. However, factors such as those described in Item 1A '*Risk Factors'* could cause actual events or results to differ materially from the underlying assumptions and estimates which could lead to a material adverse impact on our results of operations, financial condition, or liquidity.

Reserve for Losses and Loss Expenses

Overview

We believe the most significant accounting judgment we make is the estimate of reserve for losses and loss expenses ("loss reserves"). Loss reserves represent management's estimate of the unpaid portion of our ultimate liability for losses and loss expenses ("ultimate losses") for insured and reinsured events that have occurred at or before the balance sheet date. Loss reserves reflect claims that have been reported ("case reserves") to us and claims that have been incurred but not reported ("IBNR") to us. Loss reserves represent our best estimate of what the ultimate settlement and administration of claims will cost, based on our assessment of facts and circumstances known at that particular point in time.

Loss reserves are not an exact calculation of the liability but instead are complex estimates. The process of estimating loss reserves involves a number of variables (refer to *'Selection of Reported Reserves – Management's Best Estimate'* below for further details). We review estimates of loss reserves each reporting period and consider all significant facts and circumstances known at that particular point in time. As additional experience and other data become available and/or laws and legal interpretations change, we may adjust previous estimates of loss reserves. Adjustments are recognized in the period in which they are determined. Therefore, they can impact that period's underwriting results either favorably, indicating that current estimates are lower than previous estimates, or adversely, indicating that current estimates are higher than previous estimates.

Case Reserves

With respect to insurance business, we are generally notified of losses by our insureds and/or their brokers. Based on this information, our claims personnel estimate ultimate losses arising from the claim, including the cost of administering the claims settlement process. These estimates reflect the judgment of our claims personnel based on general reserving practices, the experience and knowledge of such personnel regarding the nature of the specific claim and, where appropriate, the advice of legal counsel, loss adjusters and other relevant consultants.

With respect to reinsurance business, we are generally notified of losses by ceding companies and/or their brokers. For excess of loss contracts, we are typically notified of insured losses on specific contracts and record a case reserve for the estimated ultimate liability arising from the claim. For contracts written on a proportional basis, we typically receive aggregated claims information and record a case reserve for the estimated ultimate liability arising from the claim based on that information. Proportional reinsurance contracts typically require that losses in excess of pre-defined amounts be separately notified so we can adequately evaluate them. Our claims department evaluates each specific loss notification we receive and records additional case reserves when a ceding company's reserve for a claim is not considered adequate. We also undertake an extensive program of cedant audits, using outsourced legal and industry experience where necessary. This allows us to review cedants' claims administration practices to ensure that reserves are consistent with exposures, adequately established, and properly reported in a timely manner.

IBNR

The estimation of IBNR is necessary due to potential development on reported claims and the time lag between when a loss event occurs and when it is actually reported, which is referred to as a reporting lag. Reporting lags may arise from a number of factors, including but not limited to, the nature of the loss, the use of intermediaries and complexities in the claims adjusting process. As we do not have specific information on IBNR, it must be estimated. IBNR is calculated by deducting incurred losses (i.e., paid losses and case reserves) from management's best estimate of ultimate losses. In contrast to case reserves, which are established at the contract level, IBNR reserves are generally estimated at an aggregate level and cannot be identified as reserves for a particular loss event or contract (refer to '*Reserving for Catastrophic Events'* below for further details).

Reserving Methodology

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserving Methodology – Sources of Information'* for a description of the collection and analysis of data used in our quarterly loss reserving process.

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserving Methodology – Actuarial Analysis'* for a description of the reserve estimation methods, Expected Loss Ratio Method ("ELR Method"), Loss Development Method (also referred to as the "Chain Ladder Method" or "Link Ratio Method") and Bornhuetter-Ferguson Method ("BF Method") which are commonly employed by our actuaries together with a discussion of their strengths and weaknesses.

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserving Methodology – Key Actuarial Assumptions',* which notes that the most significant assumptions used in our quarterly loss reserving process are expected loss ratios ("ELRs) and loss development patterns.

Gross Loss Reserves by Line of Business

Gross loss reserves for each of the reportable segments, segregated between case reserves and IBNR, by line of business are shown below:

	2023			2022		
At December 31,	**Case reserves**	**IBNR**	**Total**	**Case reserves**	**IBNR**	**Total**
Insurance segment:						
Property	**$ 556,306**	**$ 523,713**	**$ 1,080,019**	$ 565,954	$ 487,681	$ 1,053,635
Accident and health	**28,767**	**89,371**	**118,137**	22,770	60,795	83,565
Marine and aviation	**449,455**	**532,284**	**981,739**	490,895	419,712	910,606
Cyber	**192,784**	**589,018**	**781,802**	158,449	559,561	718,010
Professional lines	**685,083**	**2,523,194**	**3,208,277**	681,053	2,325,695	3,006,748
Credit and political risk(1)	**(45,138)**	**208,975**	**163,838**	(38,293)	181,538	143,246
Liability	**576,529**	**2,597,068**	**3,173,597**	466,527	1,999,256	2,465,783
Total Insurance	**2,443,786**	**7,063,623**	**9,507,409**	2,347,355	6,034,238	8,381,593
Reinsurance segment:						
Accident and health	**55,185**	**177,602**	**232,787**	64,949	207,953	272,902
Agriculture	**43,011**	**109,372**	**152,383**	40,598	95,645	136,243
Marine and aviation	**79,792**	**91,369**	**171,161**	99,019	115,582	214,601
Professional lines	**558,556**	**860,748**	**1,419,304**	550,786	761,575	1,312,361
Credit and surety	**171,298**	**196,735**	**368,033**	133,710	169,759	303,469
Motor	**809,811**	**372,331**	**1,182,142**	753,053	367,504	1,120,556
Liability	**733,697**	**1,694,122**	**2,427,818**	696,220	1,353,846	2,050,067
Run-off lines						
Catastrophe	**373,031**	**196,573**	**569,604**	498,604	328,723	827,327
Property	**204,217**	**77,440**	**281,657**	273,607	124,253	397,860
Engineering	**86,877**	**34,842**	**121,720**	97,964	53,920	151,884
Total run-off lines	**664,125**	**308,855**	**972,981**	870,175	506,896	1,377,071
Total Reinsurance	**3,115,475**	**3,811,134**	**6,926,609**	3,208,510	3,578,760	6,787,270
Total	**$ 5,559,261**	**$ 10,874,757**	**$ 16,434,018**	$ 5,555,865	$ 9,612,998	$ 15,168,863

(1) During 2023 and 2022, significant gross claims associated with certain credit and political risk contracts were paid in advance of recoveries being received from the corresponding security which resulted in negative case reserves of $(60) million (2022: $(55) million) and related negative reinsurance recoverable on unpaid losses and loss expenses of $(29) million (2022: $(15) million). Refer to '*Reserving for Credit and Political Risk Business'* below for further details.

In order to capture the key dynamics of loss reserve development and potential volatility, lines of business should be considered according to their potential expected length of loss emergence and settlement, generally referred to as the "tail". Favorable development on prior accident year reserves indicates that current estimates are lower than previous estimates, while adverse development on prior accident year reserves indicates that current estimates are higher than previous estimates.

Although estimates of ultimate losses for shorter tail business are inherently more certain than for longer tail business, significant judgment is still required. For example, much of our excess insurance and excess of loss reinsurance business has high attachment points. Therefore, it is often difficult to estimate whether claims will exceed those attachment points. In addition, the inherent uncertainties relating to catastrophe events further add to the complexity of estimating potential exposure. Further, we use managing general agents ("MGAs") and other producers for certain business in the insurance segment, which can delay the reporting of loss information. We expect the majority of development for an accident year or underwriting year to be recognized in the subsequent one to three years.

Factors that contribute additional uncertainty to estimates for longer tail business include, but are not limited to:

- potential volatility of actuarial estimates, given the number of years of development it takes to produce a significant incurred loss as a percentage of ultimate losses;
- inherent uncertainties about loss trends, claims inflation (e.g., medical, judicial, social) and general economic conditions; and
- the possibility of future litigation, legislative or judicial change that may impact future loss experience relative to prior industry loss experience relied on in reserve estimation.

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserve for Losses and Loss Expenses – Prior Year Reserve Development'* for a detailed discussion of prior year reserve development by line of business and see further details below.

Refer to *'Reserving for Credit and Political Risk Business'* below for a detailed discussion of specific loss reserve issues related to the credit and political risk line of business.

Reserving for Credit and Political Risk Business

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – 'Net incurred and Paid Claims Development Tables by Accident Year – Insurance segment – Insurance Credit and Political Risk'* for details of this line of business and the associated key actuarial assumptions.

An important and distinguishing feature of many of these contracts is the contractual right, subsequent to payment of a claim to an insured, to be subrogated to, or otherwise have an interest in, the insured's rights of recovery under an insured loan or facility agreement. These estimated recoveries are recorded as an offset to credit and political risk gross loss reserves. The lag between the date of a claim payment and the ultimate recovery from the corresponding security can result in negative case reserves at a point in time. During 2023 and 2022, significant gross claims associated with certain credit and political risk contracts were paid in advance of recoveries being received from the corresponding security which resulted in negative case reserves of $(60) million (2022: $(55) million) and related negative reinsurance recoverable on unpaid losses and loss expenses of $(29) million (2022: $(15) million). Refer to *'Critical Accounting Estimates – Reinsurance Recoverable on Unpaid Losses and Loss Expenses'* for further details.

The nature of the underlying collateral is specific to each transaction. Therefore, we estimate the value of this collateral on a contract-by-contract basis. This valuation process is inherently subjective and involves the application of management's judgment because active markets for the collateral often do not exist. Estimates of values are based on numerous inputs, including information provided by our insureds, as well as third-party sources including rating agencies, asset valuation specialists and other publicly available information. We also assess any post-event circumstances, including restructurings, liquidations and possession of asset proposals/agreements.

In some instances, on becoming aware of a loss event related to credit and political risk business, we negotiate a final settlement of all of our policy liabilities for a fixed amount. In most circumstances, this occurs when the insured moves to realize the benefit of the collateral that underlies the insured loan or facility and presents us with a net settlement proposal that represents a full and final payment by us under the terms of the policy. In consideration for this payment, we secure a cancellation of the policy, or a release of all claims, and waive our right to pursue a recovery of these settlement payments against the collateral that may have been available to us under the insured loan or facility agreement. In certain circumstances, cancellation by way of net settlement or full payment can result in an adjustment to the premium associated with the policy.

Additionally, when we consider prior year reserve development for the credit and political risk line of business, it is important to note that the multi-year nature of this business distorts loss ratios when a single accident year is considered in isolation. Premiums for these contracts generally earn evenly over the contract term, therefore, are reflected in multiple accident years. In contrast, losses incurred on these contracts, which can be characterized as low in frequency and high in severity, are reflected in a single accident year.

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserve for Losses and Loss Expenses – Prior Year Reserve Development'* for further details.

Reserving for Catastrophic Events

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserving Methodology – Reserving for Catastrophic Events'* for further details.

In addition to those noted in Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserving Methodology – Reserving for Catastrophic Events'* there are additional risks that affect our ability to accurately estimate ultimate losses for catastrophic events. For example, the estimates of loss reserves related to hurricanes and earthquakes can be affected by factors including, but not limited to, the inability to access portions of impacted areas, infrastructure disruptions, the complexity of factors contributing to losses, legal and regulatory uncertainties, complexities involved in estimating business interruption losses and additional living expenses, the impact of demand surge, fraud and the limited nature of information available. For hurricanes, additional complex coverage factors may include determining whether damage was caused by flooding or wind, evaluating general liability and pollution exposures, and mold damage. The timing of a catastrophe, for example, near the end of a reporting period, can also affect the level of information available to us to estimate loss reserves for that reporting period.

Results of operations for 2023 were impacted by natural and man-made catastrophe activity (refer to *'Underwriting Results – Insurance segment – Current Accident Year Loss Ratio' and 'Underwriting Results – Reinsurance segment – Current Accident Year Loss Ratio'* for further details).

Selection of Reported Reserves – Management's Best Estimate

Refer to Item 8, Note 8 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses – Reserving Methodology – Selection of Reported Reserves – Management's Best Estimate'* for further details.

Independent Actuarial Review

On an annual basis, we use an independent actuarial firm to provide an actuarial opinion on the reasonableness of loss reserves for each of our operating subsidiaries and statutory reporting entities as these actuarial opinions are required to meet various insurance regulatory requirements. The actuarial firm also discusses its conclusions from the annual review with management and presents its findings to the Audit Committee of the Board of Directors.

Sensitivity Analysis

While we believe that loss reserves at December 31, 2023 are adequate, new information, events or circumstances may result in ultimate losses that are materially greater or less than provided for in our loss reserves. As previously noted, there are many factors that may cause reserves to increase or decrease, particularly those related to catastrophe losses and longer tail lines of business.

Expected loss ratios are a key assumption in estimates of ultimate losses for business at an early stage of development. A higher expected loss ratio results in a higher ultimate loss estimate, and vice versa.

Assumed loss development patterns are another significant assumption in estimating loss reserves. Accelerating a loss reporting pattern (i.e., shortening the claim tail) results in lower ultimate losses, as the estimated proportion of losses already incurred would be higher.

The effect on estimates of gross loss reserves of reasonably likely changes in the two key assumptions used to estimate gross loss reserves at December 31, 2023 was as follows:

INSURANCE			
Development pattern	**Expected loss ratio**		
	Higher Loss Reserves (Lower Loss Reserves)		
Professional lines	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (288,175)	$ (94,560)	$ 99,141
Unchanged	(198,491)	—	199,401
6 months longer	(75,325)	127,841	333,337
Property	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (86,008)	$ (41,533)	$ (10,077)
Unchanged	(29,329)	—	29,692
3 months longer	32,034	61,455	94,245
Liability	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (375,495)	$ (191,181)	$ (6,322)
Unchanged	(196,669)	—	198,534
6 months longer	20,722	225,448	435,439
Cyber	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (95,647)	$ (29,914)	$ 35,819
Unchanged	(67,568)	—	67,665
6 months longer	(12,050)	53,700	119,705
Marine and aviation	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (54,069)	$ (29,019)	$ (3,969)
Unchanged	(25,430)	—	24,856
3 months longer	20,121	45,186	70,252
Accident and health	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (21,958)	$ (13,671)	$ (5,181)
Unchanged	(5,130)	—	7,437
3 months longer	10,281	17,898	25,515
Credit and political risk	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (8,811)	$ (93)	$ 8,648
Unchanged	(8,617)	—	8,750
6 months longer	(8,348)	140	8,903

REINSURANCE			
Development pattern		Expected loss ratio	
		Higher Loss Reserves (Lower Loss Reserves)	
Liability	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (268,341)	$ (138,120)	$ (7,408)
Unchanged	(135,371)	—	135,662
6 months longer	33,811	173,961	315,570
Accident and health	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (60,492)	$ (40,184)	$ (16,764)
Unchanged	(21,626)	—	25,234
3 months longer	39,564	58,898	82,852
Professional lines	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (133,996)	$ (59,239)	$ 15,518
Unchanged	(76,043)	—	76,058
6 months longer	1,485	78,892	156,467
Credit and surety	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (32,681)	$ (12,602)	$ 7,030
Unchanged	(21,028)	—	21,207
6 months longer	(4,215)	17,103	39,633
Motor	**10% lower**	**Unchanged**	**10% higher**
6 months shorter	$ (49,664)	$ (15,750)	$ 19,193
Unchanged	(31,229)	—	35,349
6 months longer	15,071	47,538	81,399
Agriculture	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (11,020)	$ —	$ 11,020
Unchanged	(11,019)	—	11,019
3 months longer	(11,019)	—	11,019
Marine and aviation	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (12,094)	$ (8,326)	$ (4,557)
Unchanged	(3,527)	—	4,160
3 months longer	6,336	10,212	14,088
Catastrophe	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (27,503)	$ (339)	$ 26,826
Unchanged	(27,165)	—	27,164
3 months longer	(26,665)	500	27,665
Property	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (12,171)	$ (6,952)	$ (2,073)
Unchanged	(5,376)	—	5,325
3 months longer	4,905	10,434	16,546
Engineering	**5% lower**	**Unchanged**	**5% higher**
3 months shorter	$ (4,137)	$ (2,944)	$ (1,751)
Unchanged	(1,313)	—	1,313
3 months longer	1,857	3,305	4,752

The results show the cumulative increase (decrease) in loss reserves across all accident years.

For example, if assumed loss development pattern for insurance property business was three months shorter with no accompanying change in ELR assumption, loss reserves may decrease by approximately $42 million. Each of the impacts detailed in the tables is estimated individually, without consideration for any correlation among key assumptions or among lines of business. Therefore, it would be inappropriate to take each of the amounts and add them together in an attempt to estimate total volatility. Additionally, it is noted that in some instances, for example the projection of catastrophe estimates or credit and political risks estimates, development patterns are not appropriate as more bespoke techniques are used. While we believe the variations in the expected loss ratios and loss development patterns presented could be reasonably expected, our historical loss data regarding variability is generally limited and actual variations may be greater or less than these amounts.

It is also important to note that the variations are not meant to be a "best-case" or "worst-case" series of scenarios and, therefore, it is possible that future variations in loss reserves may be more or less than the amounts presented. While we believe that these are reasonably likely scenarios, we do not believe this sensitivity analysis should be considered an actual reserve range.

Reinsurance Recoverable on Unpaid Losses and Loss Expenses

In the normal course of business, we purchase facultative and treaty reinsurance protection to limit ultimate losses and to reduce loss aggregation risk. To the extent that reinsurers do not meet their obligations under the reinsurance agreements, we remain liable. Consequently, we are exposed to credit risk associated with reinsurance recoverable on unpaid losses and loss expenses ("reinsurance recoverables") to the extent that any of our reinsurers are unable or unwilling to pay claims.

Reinsurance recoverables for each of the reportable segments, segregated between case reserves and IBNR, by line of business are shown below:

	2023			2022		
At December 31,	**Case reserves**	**IBNR**	**Total**	**Case reserves**	**IBNR**	**Total**
Insurance segment:						
Property	**$ 194,760**	**$ 207,462**	**$ 402,222**	$ 221,616	$ 177,210	$ 398,826
Accident and health	**1,411**	**1,595**	**3,006**	820	5,698	6,518
Marine and aviation	**153,065**	**125,149**	**278,215**	195,845	83,131	278,976
Cyber	**115,969**	**314,658**	**430,627**	92,219	301,217	393,436
Professional lines	**392,104**	**1,050,442**	**1,442,546**	403,078	1,071,461	1,474,539
Credit and political risk (1)	**(21,575)**	**56,767**	**35,191**	(18,990)	53,382	34,391
Liability	**315,641**	**1,569,591**	**1,885,232**	258,072	1,288,447	1,546,520
Total Insurance	**1,151,375**	**3,325,664**	**4,477,039**	1,152,660	2,980,546	4,133,206
Reinsurance segment:						
Accident and health	**8,556**	**40,758**	**49,314**	7,303	31,344	38,647
Agriculture	**5,917**	**2,425**	**8,343**	8,600	1,418	10,018
Marine and aviation	**19,432**	**13,754**	**33,185**	27,209	30,484	57,692
Professional lines	**89,621**	**280,724**	**370,345**	81,413	222,436	303,849
Credit and surety	**44,027**	**59,147**	**103,174**	27,097	52,212	79,309
Motor	**164,488**	**150,855**	**315,344**	131,630	126,853	258,483
Liability	**162,216**	**527,925**	**690,141**	136,016	391,496	527,513
Run-off lines						
Catastrophe	**172,703**	**90,557**	**263,260**	245,250	163,925	409,175
Property	**12,788**	**(31)**	**12,757**	12,942	72	13,014
Engineering	**111**	**71**	**181**	131	135	266
Total run-off lines	**185,602**	**90,597**	**276,198**	258,323	164,132	422,455
Total Reinsurance	**679,859**	**1,166,185**	**1,846,044**	677,591	1,020,375	1,697,966
Total	**$ 1,831,234**	**$ 4,491,849**	**$ 6,323,083**	$ 1,830,251	$ 4,000,921	$ 5,831,172

(1) During 2023 and 2022, significant gross claims associated with certain credit and political risk contracts were paid in advance of recoveries being received from the corresponding security which resulted in negative case reserves of $(60) million (2022: $(55) million) and related negative reinsurance recoverables related to case reserves of $(29) million (2022: $(15) million). Refer to '*Critical Accounting Estimates – Reserve for Losses and Loss Expenses – Reserving for Credit and Political Risk Business*' for further details.

At December 31, 2023, reinsurance recoverables as a percentage of loss reserves was 38% (2022: 38%). At December 31, 2023, reinsurance recoverables that were collectible from reinsurers rated A- or better by A.M Best were 83.1% (2022: 81.8%). Refer to Item 8, Note 12 to the Consolidated Financial Statements *'Commitments and Contingencies'* for an analysis of the credit risk associated with reinsurance recoverables at December 31, 2023.

The recognition of reinsurance recoverables requires two key estimates as follows:

- The first estimate is the amount of loss reserves to be ceded to our reinsurers. This amount consists of amounts related to case reserves and amounts related to IBNR. Refer to Item 8, Note 2 to the Consolidated Financial Statements *'Basis of Presentation and Significant Accounting Policies'* for further details.
- The second estimate is the amount of the reinsurance recoverable balance that we believe ultimately will not be collected from reinsurers. We are selective in choosing reinsurers, buying reinsurance principally from reinsurers with a strong financial condition and industry ratings. The amount we ultimately collect may differ from our estimate due to the ability and willingness of reinsurers to pay claims, which may be negatively impacted by factors such as insolvency, contractual disputes over contract language or coverage and/or other reasons. In addition, economic conditions and/or operational performance of a particular reinsurer may deteriorate, and this could also affect the ability and willingness of a reinsurer to meet their contractual obligations.

Consequently, we review reinsurance recoverables at least quarterly to estimate an allowance for expected credit losses. Refer to Item 8, Note 2 to the Consolidated Financial Statements *'Basis of Presentation and Significant Accounting Policies'* for further details.

At December 31, 2023, the allowance for expected credit losses was $37 million (2022: $31 million). We have not written off any significant reinsurance recoverable balances in the last three years.

At December 31, 2023, the use of different assumptions could have a material effect on the allowance for expected credit losses. To the extent the creditworthiness of our reinsurers deteriorates due to an adverse event affecting the reinsurance industry, such as a large number of catastrophes, uncollectible amounts could be significantly greater than the allowance for expected credit losses. Given the various considerations used to estimate the allowance for expected credit losses, we cannot precisely quantify the effect a specific industry event may have on the allowance for expected credit losses.

Gross Premiums Written

Revenues primarily relate to premiums generated by our underwriting operations. The basis for recognizing gross premiums written varies by policy or contract type. Refer to Item 8, Note 2 to the Consolidated Financial Statements *'Basis of Presentation and Significant Accounting Policies'* for further details.

Insurance Segment

For the majority of our insurance business, a fixed premium that is identified in the policy is recorded at the inception of the policy. This premium is adjusted if underlying insured values change. We actively monitor underlying insured values, and any adjustments to premiums are recognized in the period in which they are determined. Gross premiums written on a fixed premium basis accounted for 84% and 85% of the segment's gross premiums written for the years ended December 31, 2023 and 2022, respectively. Some of this business is written through MGAs, third parties granted authority to bind risks on our behalf in accordance with our underwriting guidelines. For this business, premiums are recorded based on monthly statements received from MGAs or best estimates based on historical experience.

The remainder of our insurance business is written on a line slip or proportional basis, where we assume an agreed proportion of the premiums and losses of a particular risk or group of risks along with other unrelated insurers. As premiums for this business are not identified in the policy, premiums are recognized at the inception of the policy based on estimates provided by clients through brokers (refer to *'Reinsurance Segment'* below for further details). We review these premium estimates on a quarterly basis and any adjustments to premium estimates are recognized in the period in which they are determined. Gross premiums written on a line slip or proportional basis accounted for 16% and 15% of the segment's gross premiums written for the years ended December 31, 2023 and 2022, respectively.

For the credit and political risk line of business, we write certain policies on a multi-year basis. Premiums in respect of these policies are recorded at the inception of the policy based on management's best estimate of premiums to be received, including assumptions relating to prepayments/refinancing. At December 31, 2023, the average duration of unearned premiums for credit and political risk line of business was 5.7 years (2022: 5.4 years).

Reinsurance Segment

The reinsurance segment provides cover to cedants (i.e., insurance companies) on an excess of loss or on a proportional basis. In most cases, cedants seek protection from us for business that they have not yet written at the time they enter into agreements with us. Therefore, cedants must estimate their underlying premiums when purchasing reinsurance cover from us.

Excess of loss reinsurance contracts with cedants typically include minimum or deposit premium provisions. For excess of loss reinsurance contracts, minimum or deposit premiums are generally considered to be the best estimate of premiums at the inception of the contract. The minimum or deposit premium is normally adjusted at the end of the contract period to reflect changes in the underlying risks in force during the contract period. Any adjustments to minimum or deposit premiums are recognized in the period in which they are determined. Gross premiums written for excess of loss reinsurance contracts accounted for 39% and 43% of the reinsurance segment's gross premiums written for the years ended December 31, 2023 and 2022, respectively.

Many of our excess of loss reinsurance contracts also include provisions for automatic reinstatement of coverage in the event of a loss. In a year of significant loss events, reinstatement premiums will be higher than in a year in which there are no large loss events. Refer to Item 8, Note 2 to the Consolidated Financial Statements *'Basis of Presentation and Significant Accounting Policies'* and *'Critical Accounting Estimates – Reserve for Losses and Loss Expenses'* above for further details.

For proportional reinsurance contracts, premiums are recognized at the inception of the contract based on estimates to be received from ceding companies. We review these premium estimates on a quarterly basis and evaluate their reasonability in light of premiums reported by cedants. Factors contributing to changes in initial premium estimates may include:

- changes in renewal rates or rates of new business accepted by cedants (changes could result from changes in the relevant insurance market that could affect more than one of our cedants or could be a consequence of changes in the marketing strategy or risk appetite of an individual cedant);
- changes in underlying exposure values; and/or
- changes in rates being charged by cedants.

As a result of this review process, any adjustments to premium estimates are recognized in the period in which they are determined. Changes in premium estimates could be material to gross premiums written in the period. Changes in premium estimates could be also material to net premiums earned in the period in which they are determined, as any adjustment may be substantially or fully earned. Gross premiums written for proportional reinsurance contracts, including adjustments to premium estimates established in prior years, accounted for 61% and 57% of the reinsurance segment's gross premiums written for the years ended December 31, 2023 and 2022, respectively.

Gross premiums written for proportional reinsurance contracts incepting during the year were as follows:

Year ended December 31,		2023		2022		2021
Liability	**$**	**356,022**	$	376,462	$	383,232
Accident and health		**298,577**		307,082		302,520
Professional lines		**280,381**		236,454		205,305
Credit and surety		**169,297**		133,853		93,638
Motor		**68,136**		135,954		187,569
Agriculture		**99,806**		112,452		72,897
Marine and aviation		**19,839**		22,081		23,912
Run-off lines						
Catastrophe		**1,343**		3,463		12,733
Property		**3,000**		60,204		117,397
Engineering		**—**		—		—
Total run-off lines		**4,343**		63,667		130,130
Total estimated premiums	**$**	**1,296,401**	$	1,388,005	$	1,399,203
Gross premiums written (reinsurance segment)	**$**	**2,215,761**	$	2,629,014	$	2,822,752
As a % of total gross premiums written		**59 %**		53 %		50 %

Historical experience has shown that cumulative adjustments to initial premium estimates for proportional reinsurance contracts have ranged from 0% to 8% over the last 5 years.

We believe that a reasonably likely change to 2023 initial premium estimates for proportional reinsurance contracts would be 4% in either direction. A change in initial premium estimates of this magnitude would result in a change in gross premiums written of approximately $52 million. A change in initial premium estimates of this magnitude would not have a material impact on pre-tax net income, after considering current losses and loss expenses ratios together with acquisition cost ratios.

However, larger variations, positive or negative, are possible.

Net Premiums Earned

Premiums are earned evenly over the period during which we are exposed to the underlying risk. Changes in circumstances subsequent to the inception of contracts can impact the earning periods. For example, when exposure limits for a contract are reached, any associated unearned premiums are fully earned. This can have a significant impact on net premiums earned, particularly for multi-year contracts such as those in the credit and political risk line of business.

Fixed premium insurance policies and excess of loss reinsurance contracts are generally written on a "losses occurring" or "claims made" basis over the term of the contract. Consequently, premiums are earned evenly over the contract term, which is generally 12 months.

Line slip or proportional insurance policies and proportional reinsurance contracts are generally written on a "risks attaching" basis, covering claims that relate to the underlying policies written during the terms of these contracts. As the underlying business incepts throughout the contract term which is typically one year, and the underlying business typically has a one year coverage period, these premiums are generally earned evenly over a 24-month period.

Fair Value Measurements of Financial Assets and Liabilities

Fair value is defined as the price to sell an asset or transfer a liability (i.e., the "exit price") in an orderly transaction between market participants. Refer to Item 8, Note 6 to the Consolidated Financial Statements '*Fair Value Measurements*' for information on the valuation techniques, including significant inputs and assumptions generally used in estimating the fair values of our financial instruments.

Fixed Maturities and Equity Securities

At December 31, 2023, the fair values of 94% (2022: 93%) of total fixed maturities and equity securities were based on prices provided by globally recognized independent pricing services where we have a current and detailed understanding of how their prices were derived. The remaining securities were priced by either non-binding broker quotes or internal valuation models.

Generally, we obtain quotes directly from broker-dealers who are active in the corresponding markets when prices are unavailable from independent pricing services. This may also be the case if the pricing from pricing services is not reflective of current market levels, as detected by our pricing control tolerance procedures. Generally, broker-dealers value securities through their trading desks based on observable market inputs. Their pricing methodologies include mapping securities based on trade data, bids or offers, observed spreads and performance on newly issued securities. They may also establish pricing through observing secondary trading of similar securities.

At December 31, 2023 and 2022, we did not adjust any pricing provided by independent pricing services.

Management Pricing Validation

While we obtain pricing from independent pricing services and/or broker-dealers, management is ultimately responsible for determining the fair value measurements of all securities. To ensure fair value measurement is applied consistently and in accordance with U.S. GAAP, annually, we update our understanding of the pricing methodologies used by the pricing services and broker-dealers.

We also challenge any prices we believe may not be representative of fair value under current market conditions. Our review process includes, but is not limited to:

- initial and ongoing evaluation of the pricing methodologies and valuation models used by outside parties to calculate fair value;
- quantitative analysis;
- a review of multiple quotes obtained in the pricing process and the range of resulting fair values for each security, if available; and
- randomly selecting purchased or sold securities and comparing the executed prices to the fair value estimates provided by the independent pricing sources and broker-dealers.

Other Investments

Multi-strategy Funds, Direct Lending Funds, Private Equity Funds and Real Estate Funds

The fair values of multi-strategy funds, direct lending funds, private equity funds and real estate funds are estimated using net asset values (NAVs) as advised by external fund managers or third-party administrators. At December 31, 2023, the estimated fair value of our investments in these funds was $836 million (2022: $856 million). Refer to Item 8, Note 6 to the Consolidated Financial Statements *'Fair Value Measurements'* for further details.

CLO-Equity Securities

The fair values of CLO-Equities are estimated using a discounted cash flow model prepared by an external investment manager. At December 31, 2023, the estimated fair value of our indirect investment in CLO-Equities was $5 million (2022: $5 million). Refer to Item 8, Note 6 to the Consolidated Financial Statements *'Fair Value Measurements'* for further details.

Other Privately Held Investments

Other privately held investments include common shares, preferred shares, investments in limited partnerships, convertible notes, convertible preferred share and a variable yield security.

These investments are initially valued at cost, which approximates fair value. In subsequent measurement periods, the fair values of these investments are derived from one or a combination of valuation methodologies which consider factors including recent capital raises by the investee companies, comparable precedent transaction multiples, comparable publicly traded multiples, third-party valuations, discounted cash-flow models, and other techniques that consider the industry and development stage of each investee company. The fair value of the variable yield security was determined using an externally developed discounted cash flow model.

At December 31, 2023, the estimated fair value of these investments was $87 million (2022: $136 million). Refer to Item 8, Note 6 to the Consolidated Financial Statements *'Fair Value Measurements'* for further details.

Other privately held investments also includes investments in private company investment funds focusing on financial services technology companies with an emphasis on insurance technology companies ("private company investment funds").

The fair values of private company investment funds are estimated using NAVs as advised by external fund managers or third-party administrators. At December 31, 2023, the estimated fair value of our investments in these funds was $21 million (2022: $nil). Refer to Item 8, Note 6 to the Consolidated Financial Statements *'Fair Value Measurements'* for further details.

Impairment Losses and the Allowance for Expected Credit Losses - Fixed Maturities, Available for Sale

Fixed maturities classified as available for sale are reported at fair value at the balance sheet date and are presented net of an allowance for expected credit losses. Our available for sale ("AFS") investment portfolio is the largest component of consolidated total assets, and it is a multiple of shareholders' equity. As a result, impairment losses could be material to our results of operations and financial condition particularly during periods of dislocation in financial markets.

A fixed maturity, available for sale security is impaired if the fair value of the investment is below amortized cost. On a quarterly basis, the Company evaluates all fixed maturities, available for sale for impairment losses.

Details regarding our processes for the identification of impairments of fixed maturities, available for sale and the recognition of the related impairment losses are disclosed in Item 8, Note 2 to the Consolidated Financial Statements *'Basis of Presentation and Significant Accounting Policies'.*

In addition, the methodologies and significant inputs used to estimate the allowance for expected credit losses are disclosed in Item 8, Note 5 (i) to the Consolidated Financial Statements *'Investments'*.

At December 31, 2023, we recorded an allowance for expected credit losses of $11 million (2022: $12 million) and for the year ended December 31, 2023, we recorded impairment losses of $13 million (2022: $13 million) (refer to *'Net Investment Income* and *Net Investment Gains (Losses)'* for further details). The allowance for expected credit loss is charged to net income (loss) and is included in net investment gains (losses) in the consolidated statements of operations.

Intent or Requirement to Sell

From time to time, we may sell fixed maturities, available for sale subsequent to the balance sheet date that we did not intend to sell at the balance sheet date. Conversely, we may not sell fixed maturities, available for sale that we intended to sell at the balance sheet date. These changes in intent may arise due to events occurring subsequent to the balance sheet date. The types of events that may result in a change in intent include, but are not limited to, significant changes in the economic facts and circumstances related to the specific issuer, changes in liquidity needs, or changes in tax laws or the regulatory environment.

U.S. Treasury Securities and Other Highly Rated Debt Instruments

Our credit impairment review process excludes fixed maturities, available for sale guaranteed, either explicitly or implicitly, by the U.S. government and its agencies (*U.S. Government, U.S. Agency and U.S. Agency RMBS)* because we anticipate these securities will not be settled below amortized cost. These securities are evaluated for intent or requirement to sell at a loss.

RECENT ACCOUNTING PRONOUNCEMENTS

At December 31, 2023, there were no recently issued accounting pronouncements that we have not yet adopted that we expect could have a material impact on our results of operations, financial condition or liquidity.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market risk is the risk that our financial instruments, which include derivatives, may be negatively impacted by movements in financial market prices or rates such as interest rates, credit spreads, equity securities' prices, and foreign currency exchange rates (refer to Item 1 *'Risk and Capital Management'* for further details).

We own a substantial amount of assets whose fair values are subject to market risks.

At December 31, 2023, 95% (2022: 94%) of fixed maturities are classified as available for sale, therefore changes in fair values caused by changes in interest rates and foreign currency exchange rates have an immediate impact on other comprehensive income (loss), total shareholders' equity and book value per common share but do not have an immediate impact on net income (loss). Changes in these market risks impact net income (loss) when, and if, securities are sold, or an impairment charge or an allowance for expected credit losses is recorded.

Equity securities are reported at fair value, with changes in fair values recognized in net income (loss).

At December 31, 2023 and 2022, we also invested in alternative investments including multi-strategy funds, direct lending funds, private equity funds, real estate funds, CLO-Equities and other privately held investments. These investments are also exposed to market risks, with the changes in fair values immediately reported in net income (loss).

Sensitivity Analysis

The following is a sensitivity analysis of our primary market risk exposures at December 31, 2023 and 2022.

Our policies to address these risks in 2023 were not materially different from 2022. We do not currently anticipate significant changes in our primary market risk exposures or in how those exposures are managed in future reporting periods based on what is known or expected to be in effect in future reporting periods.

Interest Rate and Credit Spread Risk

Interest rate risk includes fluctuations in interest rates and credit spreads that have a direct impact on the fair values of fixed maturities. As interest rates rise and credit spreads widen, the fair value of fixed maturities falls.

We monitor sensitivity to interest rate and credit spread changes by revaluing fixed maturities using a variety of different interest rates (inclusive of credit spreads). We use duration and convexity at the security level to estimate the change in fair value that would result from a change in each security's yield. Duration measures the price sensitivity of an asset to changes in yield rates. Convexity measures how the duration of the security changes with interest rates. The duration and convexity analysis take into account changes in prepayment expectations for MBS and ABS. The analysis is performed at the security level and aggregated to the asset category levels.

The following table presents the estimated pre-tax impact on the fair value of fixed maturities classified as available for sale due to an instantaneous increase in the U.S. yield curve of 100 basis points and an additional 100 basis point credit spread widening for corporate debt, non-agency commercial MBS and residential MBS, ABS and municipal bond securities:

		Potential adverse change in fair value		
	Fair value	Increase in interest rate by 100 basis points	Widening of credit spreads by 100 basis points	Total
At December 31, 2023				
U.S. government and agency	**$ 3,007,528**	**$ (81,945)**	**$ —**	**$ (81,945)**
Non-U.S. government	**723,959**	**(22,534)**	**—**	**(22,534)**
Agency RMBS	**1,634,661**	**(84,719)**	**—**	**(84,719)**
Securities exposed to credit spreads:				
Corporate debt	**4,474,172**	**(151,894)**	**(158,759)**	**(310,653)**
CMBS	**839,696**	**(18,120)**	**(21,917)**	**(40,037)**
Non-agency RMBS	**153,396**	**(6,158)**	**(5,849)**	**(12,007)**
ABS	**1,242,971**	**(10,436)**	**(36,132)**	**(46,568)**
Municipals	**158,359**	**(6,234)**	**(6,336)**	**(12,570)**
	$ 12,234,742	**$ (382,040)**	**$ (228,993)**	**$ (611,033)**
At December 31, 2022				
U.S. government and agency	$ 2,639,330	$ (78,870)	$ —	$ (78,870)
Non-U.S. government	562,029	(15,428)	—	(15,428)
Agency RMBS	1,202,785	(68,760)	—	(68,760)
Securities exposed to credit spreads:				
Corporate debt	4,255,556	(149,860)	(160,439)	(310,299)
CMBS	947,778	(23,016)	(29,792)	(52,808)
Non-agency RMBS	133,534	(6,086)	(5,779)	(11,865)
ABS	1,429,527	(9,673)	(47,191)	(56,864)
Municipals	156,355	(6,814)	(7,197)	(14,011)
	$ 11,326,894	$ (358,507)	$ (250,398)	$ (608,905)

U.S. government agencies have a limited range of spread widening. Therefore, 100 basis points of spread widening for these securities is highly improbable in normal market conditions. Our non-U.S. government debt obligations are highly-rated, and we believe the potential for future widening of credit spreads would also be limited for these securities. Certain of our holdings in non-agency RMBS and ABS have floating interest rates, which mitigate interest rate risk exposure.

The above sensitivity analysis should not be construed as our prediction of future market events, but rather an illustration of the impact of such events.

In addition, our investment in bond mutual funds is exposed to interest rate risk. However, this exposure is largely mitigated by the short duration of the underlying securities.

Our investment in CLO-Equities is also exposed to interest rate risk, but an increase in the risk-free yield curve of 100 basis points would have an insignificant impact on its fair value.

Equity Price Risk

Our portfolio of equity securities, excluding the bond mutual funds, has exposure to equity price risk. This risk is defined as the potential loss in fair value resulting from adverse changes in stock prices. The global equity portfolio is managed to a benchmark composite index, which consists of a blend of the S&P 500 and MSCI World indices. Changes in the underlying indices have a corresponding impact on the overall portfolio. At December 31, 2023, the fair value of equity securities was

$295 million (2022: $277 million). At December 31, 2023, the impact of a 20% decline in the overall market prices of our equity exposures would be $59 million (2022: $55 million), on a pre-tax basis.

Our investment in multi-strategy funds has significant exposure to equity strategies with net long positions. At December 31, 2023, the fair value of multi-strategy funds was $25 million (2022: $33 million). At December 31, 2023, the impact of an instantaneous 15% decline in the fair value of our investment in multi-strategy funds would be $4 million (2022: $5 million), on a pre-tax basis.

Foreign Currency Risk

The following table presents a sensitivity analysis of total net foreign currency exposures:

	AUD	CAD	EUR	GBP	JPY	Other	Total
At December 31, 2023							
Net managed assets (liabilities), excluding derivatives	**$ 38,348**	**$ 430,256**	**$ (452,726)**	**$ (145,992)**	**$ (43,047)**	**$ 56,012**	**$ (117,149)**
Foreign currency derivatives, net	**(23,240)**	**(403,952)**	**401,195**	**127,122**	**24,317**	**(114,294)**	**11,148**
Net managed foreign currency exposure	**15,108**	**26,304**	**(51,531)**	**(18,870)**	**(18,730)**	**(58,282)**	**(106,001)**
Other net foreign currency exposure	**—**	**175**	**(555)**	**(59)**	**—**	**—**	**(439)**
Total net foreign currency exposure	**$ 15,108**	**$ 26,479**	**$ (52,086)**	**$ (18,929)**	**$ (18,730)**	**$ (58,282)**	**$ (106,440)**
Net foreign currency exposure as a percentage of total shareholders' equity	**0.3 %**	**0.5 %**	**(1.0 %)**	**(0.4 %)**	**(0.4 %)**	**(1.1 %)**	**(2.0 %)**
Pre-tax impact of net foreign currency exposure on shareholders' equity given a hypothetical 10% rate movement[(1)]	**$ 1,511**	**$ 2,648**	**$ (5,209)**	**$ (1,893)**	**$ (1,873)**	**$ (5,828)**	**$ (10,644)**
At December 31, 2022							
Net managed assets (liabilities), excluding derivatives	$ 11,331	$ 302,679	$ (538,845)	$ (411,773)	$ (36,346)	$ 48,959	$ (623,995)
Foreign currency derivatives, net	7,160	(312,269)	505,623	271,022	32,097	(74,438)	429,195
Net managed foreign currency exposure	18,491	(9,590)	(33,222)	(140,751)	(4,249)	(25,479)	(194,800)
Other net foreign currency exposure	—	102	(1,199)	(924)	—	995	(1,026)
Total net foreign currency exposure	$ 18,491	$ (9,488)	$ (34,421)	$ (141,675)	$ (4,249)	$ (24,484)	$ (195,826)
Net foreign currency exposure as a percentage of total shareholders' equity	0.4 %	(0.2 %)	(0.7 %)	(3.1 %)	(0.1 %)	(0.5 %)	(4.2 %)
Pre-tax impact of net foreign currency exposure on shareholders' equity given a hypothetical 10% rate movement[(1)]	$ 1,849	$ (949)	$ (3,442)	$ (14,168)	$ (425)	$ (2,448)	$ (19,583)

(1) Assumes 10% appreciation in underlying currencies relative to the U.S. dollar.

Net Managed Foreign Currency Exposure

Our net managed foreign currency exposure is subject to internal risk tolerance standards. For significant foreign currency exposures, defined as those where net asset/liability position exceeds the greater of 1% of total shareholders' equity or $50 million, the value of assets denominated in those currencies should fall within a range of 90 - 110% of liabilities denominated in the same currency. In addition, aggregate foreign currency exposure is subject to the same tolerance range. We may use derivative instruments to maintain net managed foreign currency exposures within our risk tolerance levels.

Other Net Foreign Currency Exposure

In 2023, other net foreign currency exposure primarily consisted of residual foreign currency exposure from externally managed portfolios where the external manager hedges the foreign currency exposure.

During 2022, our emerging market debt securities portfolio which was included in other net foreign currency exposure, was liquidated.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements and Accompanying Notes

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of AXIS Capital Holdings Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of AXIS Capital Holdings Limited and subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income, changes in shareholders' equity, and cash flows, for each of the three years in the period ended December 31, 2023, and the related notes and the schedules listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 27, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Reserve for losses and loss expenses - Refer to Notes 2 and 8 to the consolidated financial statements

Critical Audit Matter Description

The Company’s estimate of loss and loss expense reserves is derived using expected trends in claim severity and frequency and other factors that may vary significantly as claims are settled. The estimate is sensitive to significant assumptions, including the initial expected loss ratio and loss development factors. The estimate is also sensitive to the selection of actuarial methods and weighting of these methods applied to project the ultimate losses, the estimation of ultimate reserves associated with catastrophic events, and other factors. Further, not all catastrophic events can be modeled using traditional actuarial methodologies, which increases the degree of judgment needed in estimating loss reserves for such events.

Auditing the Company’s methods, assumptions and best estimate of the cost of the ultimate settlement and administration of claims represented by the incurred but not reported ("IBNR") claims included in recorded loss and loss adjustment reserves involved especially subjective auditor judgment and an increased extent of effort, including the involvement of our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to reserves for losses and loss expenses included the following, among others:

- We tested the effectiveness of controls over the valuation of the recorded loss and loss expense reserves, including the review and approval process that management has in place for significant actuarial methods and assumptions used and the approval of management's best estimate of loss and loss expense reserves.
- We tested the completeness and accuracy of the underlying data that served as the basis for the Company's actuarial analysis, including historical claims data, to test the reasonableness of key inputs to the actuarial estimate.
- With the assistance of our actuarial specialists:
  - We independently developed an estimate of the reserves for selected classes of business, compared our estimates to those booked by the Company, and evaluated the differences.
  - We evaluated the Company's methodologies against recognized actuarial practices for the remaining classes. We also evaluated the assumptions used by the Company using our industry knowledge and experience and other analytical procedures.
  - We compared the results of the reserve study prepared by third party actuaries to management's best estimate and evaluated the differences.

/s/ Deloitte Ltd.

Hamilton, Bermuda

February 27, 2024

We have served as the Company's auditor since 2001.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

		2023		2022
		(in thousands)		
Assets				
Investments:				
Fixed maturities, available for sale, at fair value *(Amortized cost 2023: $12,634,254; 2022: $12,176,473 Allowance for expected credit losses 2023: $10,759; 2022: $11,733)*	**$**	**12,234,742**	$	11,326,894
Fixed maturities, held to maturity, at amortized cost *(Fair value 2023: $675,851; 2022: $674,743 Allowance for expected credit losses 2023: $nil; 2022: $nil)*		**686,296**		698,351
Equity securities, at fair value *(Cost 2023: $543,833; 2022: $494,356)*		**588,511**		485,253
Mortgage loans, held for investment, at fair value *(Allowance for expected credit losses 2023: $6,220; 2022: $nil)*		**610,148**		627,437
Other investments, at fair value		**949,413**		996,751
Equity method investments		**174,634**		148,288
Short-term investments, at fair value		**17,216**		70,310
Total investments		**15,260,960**		14,353,284
Cash and cash equivalents		**953,476**		751,415
Restricted cash and cash equivalents		**430,509**		423,238
Accrued interest receivable		**106,055**		94,418
Insurance and reinsurance premium balances receivable *(Allowance for expected credit losses 2023: $11,997; 2022: $9,521)*		**3,067,554**		2,733,464
Reinsurance recoverable on unpaid losses and loss expenses *(Allowance for expected credit losses 2023: $36,611; 2022: $30,715)*		**6,323,083**		5,831,172
Reinsurance recoverable on paid losses and loss expenses		**575,847**		539,676
Deferred acquisition costs		**450,950**		473,569
Prepaid reinsurance premiums		**1,916,087**		1,550,370
Receivable for investments sold		**8,767**		16,052
Goodwill		**100,801**		100,801
Intangible assets		**186,883**		197,800
Operating lease right-of-use assets		**108,093**		92,214
Loan advances made		**305,222**		87,160
Other assets		**456,385**		438,338
Total assets	**$**	**30,250,672**	$	27,682,971
Liabilities				
Reserve for losses and loss expenses	**$**	**16,434,018**	$	15,168,863
Unearned premiums		**4,747,602**		4,361,447
Insurance and reinsurance balances payable		**1,792,719**		1,609,924
Debt		**1,313,714**		1,312,314
Federal Home Loan Bank advances		**85,790**		81,388
Payable for investments purchased		**26,093**		19,693
Operating lease liabilities		**123,101**		102,577
Other liabilities		**464,439**		386,855
Total liabilities		**24,987,476**		23,043,061
Commitments and Contingencies				
Shareholders' equity				
Preferred shares		**550,000**		550,000
Common shares *(shares issued 2023: 176,580; 2022: 176,580 shares outstanding 2023: 85,286; 2022: 84,668)*		**2,206**		2,206
Additional paid-in capital		**2,383,030**		2,366,253
Accumulated other comprehensive income (loss)		**(365,836)**		(760,300)
Retained earnings		**6,440,528**		6,247,022
Treasury shares, at cost *(2023: 91,294; 2022: 91,912)*		**(3,746,732)**		(3,765,271)
Total shareholders’ equity		**5,263,196**		4,639,910
Total liabilities and shareholders’ equity	**$**	**30,250,672**	$	27,682,971

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022, AND 2021

	2023	2022	2021
	(in thousands, except for per share amounts)		
Revenues			
Net premiums earned	**$ 5,083,781**	$ 5,160,326	$ 4,709,850
Net investment income	**611,742**	418,829	454,301
Other insurance related income	**22,495**	13,073	23,295
Net investment gains (losses):			
(Increase) decrease in allowance for expected credit losses	**(5,246)**	(11,421)	11
Impairment losses	**(12,757)**	(12,568)	(22)
Other realized and unrealized investment gains (losses)	**(56,627)**	(432,800)	134,290
Total net investment gains (losses)	**(74,630)**	(456,789)	134,279
Total revenues	**5,643,388**	5,135,439	5,321,725
Expenses			
Net losses and loss expenses	**3,393,102**	3,242,410	3,008,783
Acquisition costs	**1,000,945**	1,022,017	921,834
General and administrative expenses	**684,446**	680,343	663,304
Foreign exchange losses (gains)	**58,115**	(157,945)	315
Interest expense and financing costs	**68,421**	63,146	62,302
Reorganization expenses	**28,997**	31,426	—
Amortization of value of business acquired	**—**	—	3,854
Amortization of intangible assets	**10,917**	10,917	12,424
Total expenses	**5,244,943**	4,892,314	4,672,816
Income before income taxes and interest in income of equity method investments	**398,445**	243,125	648,909
Income tax expense	**(26,316)**	(22,037)	(62,384)
Interest in income of equity method investments	**4,163**	1,995	32,084
Net income	**376,292**	223,083	618,609
Preferred share dividends	**30,250**	30,250	30,250
Net income available to common shareholders	**$ 346,042**	$ 192,833	$ 588,359
Per share data			
Earnings per common share:			
Earnings per common share	**$ 4.06**	$ 2.27	$ 6.95
Earnings per diluted common share	**$ 4.02**	$ 2.25	$ 6.90
Weighted average common shares outstanding	**85,142**	84,864	84,707
Weighted average diluted common shares outstanding	**86,012**	85,669	85,291

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022, AND 2021

	2023	2022	2021
		(in thousands)	
Net income	**$ 376,292**	$ 223,083	$ 618,609
Other comprehensive income (loss), net of tax:			
Available for sale investments:			
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has not been recognized	**257,940**	(1,043,625)	(271,447)
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has been recognized	**9,583**	(67,150)	81
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	**128,513**	304,925	(87,114)
Unrealized gains (losses) arising during the year, net of reclassification adjustment	**396,036**	(805,850)	(358,480)
Foreign currency translation adjustment	**(1,572)**	(10,986)	621
Total other comprehensive income (loss), net of tax	**394,464**	(816,836)	(357,859)
Comprehensive income (loss)	**$ 770,756**	$ (593,753)	$ 260,750

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022, AND 2021

	2023	2022	2021
		(in thousands)	
Preferred shares			
Balance at beginning and end of year	**$ 550,000**	$ 550,000	$ 550,000
Common shares (par value)			
Balance at beginning and end of year	**2,206**	2,206	2,206
Additional paid-in capital			
Balance at beginning of year	**2,366,253**	2,346,179	2,330,054
Treasury shares reissued	**(40,430)**	(31,175)	(24,655)
Share-based compensation expense	**57,207**	51,249	40,780
Balance at end of year	**2,383,030**	2,366,253	2,346,179
Accumulated other comprehensive income (loss)			
Balance at beginning of year	**(760,300)**	56,536	414,395
Unrealized gains (losses) on available for sale investments, net of tax:			
Balance at beginning of year	**(743,695)**	62,155	420,635
Unrealized gains (losses) arising during the year, net of reclassification adjustment	**396,036**	(805,850)	(358,480)
Balance at end of year	**(347,659)**	(743,695)	62,155
Cumulative foreign currency translation adjustments, net of tax:			
Balance at beginning of year	**(16,605)**	(5,619)	(6,240)
Foreign currency translation adjustment	**(1,572)**	(10,986)	621
Balance at end of year	**(18,177)**	(16,605)	(5,619)
Balance at end of year	**(365,836)**	(760,300)	56,536
Retained earnings			
Balance at beginning of year	**6,247,022**	6,204,745	5,763,607
Net income	**376,292**	223,083	618,609
Preferred share dividends [(1)]	**(30,250)**	(30,250)	(30,250)
Common share dividends [(1)]	**(152,536)**	(150,556)	(147,221)
Balance at end of year	**6,440,528**	6,247,022	6,204,745
Treasury shares, at cost			
Balance at beginning of year	**(3,765,271)**	(3,749,010)	(3,764,568)
Shares repurchased	**(23,596)**	(48,981)	(10,242)
Shares reissued	**42,135**	32,720	25,800
Balance at end of year	**(3,746,732)**	(3,765,271)	(3,749,010)
Total shareholders' equity	**$ 5,263,196**	$ 4,639,910	$ 5,410,656

(1) Refer to Note 15 *'Shareholders' Equity'* for details on dividends declared and paid related to the Company's common and preferred shares.

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022, AND 2021

	2023	2022	2021
		(in thousands)	
Cash flows from operating activities:			
Net income	**$ 376,292**	$ 223,083	$ 618,609
Adjustments to reconcile net income to net cash provided by operating activities:			
Net investment (gains) losses	**74,630**	456,789	(134,279)
Net realized and unrealized gains on other investments	**(19,682)**	(55,757)	(180,329)
Amortization of fixed maturities	**(20,167)**	26,138	35,839
Interest in income of equity method investments	**(4,163)**	(1,995)	(32,084)
Amortization of value of business acquired	**—**	—	3,854
Other amortization and depreciation	**75,552**	68,288	66,977
Share-based compensation expense, net of cash payments	**54,120**	48,494	37,744
Changes in:			
Accrued interest receivable	**(11,777)**	(30,432)	633
Reinsurance recoverable on unpaid losses and loss expenses	**(493,831)**	(825,608)	(527,362)
Reinsurance recoverable on paid losses and loss expenses	**(60,860)**	92,781	(210,660)
Deferred acquisition costs	**21,499**	(10,548)	(34,386)
Prepaid reinsurance premiums	**(365,732)**	(176,498)	(185,646)
Reserve for losses and loss expenses	**1,272,999**	544,459	737,342
Unearned premiums	**388,747**	287,082	409,858
Insurance and reinsurance balances, net	**13,813**	197,610	435,603
Other items	**(45,881)**	(45,848)	155,979
Net cash provided by operating activities	**1,255,559**	798,038	1,197,692
Cash flows from investing activities:			
Purchases of:			
Fixed maturities, available for sale	**(6,348,753)**	(7,476,440)	(12,133,755)
Fixed maturities, held to maturity	**(37,499)**	(255,610)	(196,775)
Equity securities	**(89,502)**	(94,324)	(137,247)
Mortgage loans	**(24,867)**	(117,023)	(145,832)
Other investments	**(91,010)**	(147,717)	(263,712)
Equity method investments	**(22,183)**	—	—
Short-term investments	**(247,499)**	(176,968)	(159,056)
Proceeds from the sale of:			
Fixed maturities, available for sale	**4,848,826**	6,110,148	9,203,241
Equity securities	**55,651**	138,542	24,862
Other investments	**158,348**	156,719	324,810
Short-term investments	**227,318**	116,752	177,672
Proceeds from redemption of fixed maturities, available for sale	**934,017**	1,018,922	1,817,482
Proceeds from redemption of fixed maturities, held to maturity	**49,609**	3,541	155,809
Proceeds from redemption of short-term investments	**76,545**	20,124	111,417
Proceeds from the repayment of mortgage loans	**36,375**	84,365	145,621
Proceeds from the (purchase) sale of other assets, net	**(31,144)**	(36,829)	(38,732)
Loan advances made	**(349,842)**	(105,822)	(82,870)
Net cash used in investing activities	**(855,610)**	(761,620)	(1,197,065)
Cash flows from financing activities:			
Repurchase of common shares - open market	**—**	(34,987)	—
Taxes paid on withholding shares	**(23,596)**	(13,994)	(10,242)
Dividends paid - common shares	**(153,775)**	(149,341)	(145,603)
Dividends paid - preferred shares	**(30,250)**	(30,250)	(30,250)
Federal Home Loan Bank advances, net	**5,250**	78,950	—
Net cash used in financing activities	**(202,371)**	(149,622)	(186,095)
Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash	**11,754**	(29,833)	(74)
Increase (decrease) in cash, cash equivalents and restricted cash	**209,332**	(143,037)	(185,542)
Cash, cash equivalents and restricted cash - beginning of year	**1,174,653**	1,317,690	1,503,232
Cash, cash equivalents and restricted cash - end of year	**$ 1,383,985**	$ 1,174,653	$ 1,317,690

See accompanying notes to Consolidated Financial Statements.

Supplemental disclosures of cash flow information:	**2023**	**2022**	**2021**
Income taxes paid	**$ 77,479**	$ 33,418	$ 45,083
Interest paid	**$ 63,596**	$ 59,886	$ 59,400

Supplemental disclosures of cash flow information:

In 2023**,** $72 million related to a loan advanced to Monarch Point Re (ISA 2023) Ltd. ("Monarch Point Re") was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. In addition, $66 million related to reinsurance balances payables due to Monarch Point Re under the retrocession agreement and $4 million related to ceded losses and loss expenses due from Monarch Point Re under the retrocession agreement were settled and both were treated as a non-cash activity in the consolidated statement of cash flows. Further, $12 million related to interest on the loan advanced to Monarch Point Re was received in advance and was treated as a non-cash activity in the consolidated statement of cash flows (refer to Note 18 *'Related Party Transactions'*).

In 2023**,** $110 million related to a loan advanced to a third party reinsurer was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. In addition, $107 million related to reinsurance balances payables due to the third party reinsurer under the retrocession agreement and $21 million related to ceded losses and loss expenses due from party reinsurer under the retrocession agreement were settled and both were treated as a non-cash activity in the consolidated statement of cash flows. Further, $4 million related to interest on the loan advanced to a third party reinsurer was received in advance and was treated as a non-cash activity in the consolidated statement of cash flows (refer to Note 10 *'Debt'*).

In 2022, the Company borrowed $81 million under the FHLB program, of which $2 million was settled by way of a transfer of member stock (refer to Note 11 *'Federal Home Loan Advances'*).

In 2022**,** $90 million related to a loan advanced to a third party reinsurer was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. In addition, $88 million related to reinsurance balances payables due to the third party reinsurer under the retrocession agreement and $9 million related to ceded losses and loss expenses due from party reinsurer under the retrocession agreement were settled and both were treated as a non-cash activity in the consolidated statement of cash flows. Further, $1 million related to interest on the loan advanced to a third party reinsurer was received in advance and was treated as a non-cash activity in the consolidated statement of cash flows (refer to Note 10 *'Debt'*).

In 2021, the transfer of securities with a fair value of $405 million from fixed maturities, available for sale to fixed maturities, held to maturity was treated as a non-cash activity in the consolidated statement of cash flows (refer to Note 5 *'Investments'*).

In 2021**,** $71 million related to a loan advanced to a third party reinsurer was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. In addition, $74 million related to reinsurance balances payables due to the third party reinsurer under the retrocession agreement and $3 million related to ceded losses and loss expenses due from party reinsurer under the retrocession agreement were settled and both were treated as a non-cash activity in the consolidated statement of cash flows.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023, 2022, AND 2021

1. ORGANIZATION

AXIS Capital Holdings Limited ("AXIS Capital" and together with its wholly-owned subsidiaries the "Company"), was incorporated on December 9, 2002, under the laws of Bermuda. The Company is a global specialty underwriter and provider of insurance and reinsurance solutions. The Company's principal operating subsidiaries, located in Bermuda, the United States ("U.S."), Europe, Singapore and Canada, are described below:

- AXIS Specialty Limited ("AXIS Specialty Bermuda"), a Bermuda domiciled company, is licensed to provide specialty lines insurance and treaty reinsurance products on a worldwide basis. In addition, AXIS Specialty Bermuda conducts insurance and reinsurance business through its branch in Singapore, AXIS Specialty Limited (Singapore Branch). AXIS Specialty Bermuda ceased writing new business through its branch in Singapore branch, effective 1 January 2024, and will close this branch, subject to meeting all regulatory and legal requirements.

- AXIS Insurance Company, domiciled in Illinois, and AXIS Reinsurance Company, domiciled in New York, together with AXIS Reinsurance Company (Canadian Branch) are licensed to offer a range of specialty lines insurance and treaty reinsurance products to a variety of niche markets on a worldwide basis. AXIS Surplus Insurance Company, domiciled in Illinois, is eligible to write insurance on a surplus lines basis.

- AXIS Specialty Europe SE ("AXIS Specialty Europe") is a European public limited liability company, incorporated as a non-life insurer under the laws of Ireland. It is a Societas Europaea (SE), or European society company registered in accordance with company law of the E.U. AXIS Specialty Europe also conducts insurance business through its branch in the United Kingdom ("U.K."), AXIS Specialty Europe SE ("UK Branch").

  The U.K.'s withdrew from the European Union on January 31, 2020 and is now considered a third-country. In 2018, AXIS Specialty Europe submitted an application to have its UK Branch fully regulated by the Prudential Regulation Authority ("PRA") and the U.K. Financial Conduct Authority ("FCA") as a third-country branch. This application was approved by the PRA and FCA on October 28, 2022. Therefore, the UK Branch of AXIS Specialty Europe SE is now fully regulated by the PRA and FCA.

- AXIS Re SE is a European public limited liability company, incorporated as a reinsurer under the laws of Ireland. AXIS Re SE is also a Societas Europaea (SE), or European society company registered in accordance with company law of the E.U. AXIS Re SE also conducts reinsurance business through its branch in Switzerland, AXIS Re SE, Dublin (Zurich Branch).

- The Company operates in the Lloyd's of London ("Lloyd's") market through its corporate members AXIS Corporate Capital UK Limited and AXIS Corporate Capital UK II Limited, which provide 70% and 30%, respectively, of AXIS Syndicate 1686's ("Syndicate 1686") capital support. AXIS Syndicate 1686 is managed by AXIS Managing Agency Ltd. ("AXIS Managing Agency").

- On October 2, 2017, AXIS Specialty UK Holdings Limited, a limited liability holding company, incorporated under the laws of England and Wales, acquired a 100% ownership interest in Novae Group plc ("Novae"). AXIS Corporate Capital UK II Limited was the sole corporate member of Novae Syndicate 2007 ("Syndicate 2007"). Effective January 1, 2018, AXIS Managing Agency commenced management and oversight of Syndicate 2007. Effective January 1, 2019, Syndicate 2007 ceased accepting new business and was placed into run-off. Effective January 1, 2021, the Reinsurance to Close of the 2018 year of account of Syndicate 2007 was completed.

- AXIS ILS, Ltd. (formerly AXIS Ventures Limited ("AXIS Ventures")) and AXIS Reinsurance Managers Limited ("AXIS Reinsurance Managers"), regulated by the BMA as insurance managers, generate fee income from services provided to strategic capital partners. Effective September 23, 2020, AXIS Ventures deregistered as an insurance manager with the BMA.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") and include AXIS Capital Holdings Limited and its wholly-owned subsidiaries.

All inter-company accounts and transactions have been eliminated.

To facilitate comparison of information across periods, certain reclassifications have been made to prior year amounts to conform to the current year's presentation. At December 31, 2023, the Company presented loan advances made in 2022 separately in the consolidated balance sheets. These loan advances made were previously included in insurance and reinsurance balances payable in the consolidated balance sheets. This presentation was adopted to facilitate comparison to loan advances made in 2023 (refer to Note 10 *'Debt'* and Note 18 *'Related Party Transactions')*. This reclassification did not impact results of operations, financial condition or liquidity.

Tabular dollar and share amounts are in thousands, with the exception of per share amounts. All amounts are reported in U.S. dollars.

Use of Estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. While management believes that the amounts included in the consolidated financial statements reflect its best estimates and assumptions, actual results could differ from those estimates. The Company’s principal estimates include:

- reserve for losses and loss expenses;
- reinsurance recoverable on unpaid losses and loss expenses, including the allowance for expected credit losses;
- gross premiums written and net premiums earned;
- fair value measurements of financial assets and liabilities; and
- the allowance for credit losses associated with fixed maturities, available for sale.

The Company's significant accounting policies are as follows:

a) Investments

Fixed Maturities, Available for Sale, at Fair Value and Fixed Maturities, Held to Maturity, at Amortized Cost

Fixed maturities classified as available for sale are reported at fair value (refer to Note 6 '*Fair Value Measurements*') and are presented net of an allowance for expected credit losses. The change in fair values of fixed maturities, net of tax is recognized in accumulated other comprehensive income (loss) ("AOCI") in total shareholders’ equity.

Fixed maturities are classified as held to maturity when the Company has the positive intent and ability to hold the securities to maturity or redemption. Fixed maturities classified as held to maturity are reported at amortized cost and are presented net of an allowance for expected credit losses.

Net investment income includes interest income and the amortization of market premiums and discounts and is presented net of investment expenses. Investment income is recognized when earned. Purchases and sales of fixed maturities are recorded on a trade-date basis and realized gains (losses) on sales of fixed maturities are determined based on the specific identification method. Realized gains (losses) on fixed maturities are included in net investment gains (losses) in the consolidated statements of operations.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Company recognizes investment income from fixed maturities based on the constant effective yield method, which includes an adjustment for estimated principal repayments, if applicable. The effective yield used to determine the amortization of fixed maturities subject to prepayment risk (e.g., asset-backed, mortgage-backed and other structured securities) is recalculated and adjusted periodically based on historical and/or projected future cash flows. Adjustments to the yield for highly rated prepayable fixed maturities are accounted for using the retrospective method. Adjustments to the yield for other prepayable fixed maturities are accounted for using the prospective method.

Credit Losses - Fixed Maturities, Available for Sale

A fixed maturity, available for sale security is impaired if the fair value of the investment is below amortized cost. On a quarterly basis, the Company evaluates all fixed maturities, available for sale securities for impairment losses.

If a fixed maturity, available for sale security is impaired and the Company intends to sell the security or it is more likely than not that the Company will be required to sell the security before its anticipated recovery, the full amount of the impairment loss is charged to net income (loss) and is included in net investment gains (losses).

In instances where the Company intends to hold the impaired fixed maturity, available for sale security the Company determines whether the decline in fair value below the amortized cost basis has resulted from a credit loss or other factors. If the Company does not anticipate to fully recover the amortized cost, an allowance for expected credit losses is established. The allowance for expected credit losses is limited to the difference between a security's amortized cost basis and its fair value. The allowance for expected credit losses is charged to net income (loss) and is included in net investment gains (losses).
On a quarterly basis, the Company assesses whether unrealized losses on fixed maturities, available for sale represent credit impairments by considering the following factors:

a. the extent to which the fair value is less than amortized cost;

b. adverse conditions related to the security, industry, or geographical area;

c. downgrades in the security's credit rating by a credit rating agency; and

d. failure of the issuer to make scheduled principal or interest payments.

The length of time a security has been in an unrealized loss position no longer impacts the determination of whether a credit loss exists.

If a security is assessed to be credit impaired, it is subject to a discounted cash flow analysis by comparing the present value of expected future cash flows with the amortized cost basis. If the present value of expected cash flows is less than the amortized cost, a credit loss exists and an allowance for expected credit losses is recognized. If the present value of expected future cash flows is equal to or greater than the amortized cost basis, an expected credit loss does not exist.

The non-credit impairment amount of the loss (i.e., related to interest rates, market conditions, etc.) is recognized in other comprehensive income.

The Company reports accrued interest receivable related to available for sale debt securities separately and has elected not to measure an allowance for expected credit losses for accrued interest receivable. Write-offs of accrued interest receivable balances are recognized in net investment gains (losses) in the period in which they are deemed uncollectible.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Credit Losses - Fixed Maturities, Held to Maturity

A fixed maturity, held to maturity security is impaired if the fair value of the investment is below amortized cost. On a quarterly basis, the Company evaluates all fixed maturities, held to maturity securities for impairment losses.

The Company's fixed maturity, held to maturity securities portfolio consists of asset-backed securities ("ABS") and corporate debt securities.

The Company's ABS, held to maturity consist of CLO debt tranched securities. The Company uses a scenario-based approach to review its CLO debt portfolio and reviews subordination levels of these securities to determine their ability to absorb credit losses of the underlying collateral. If losses are forecast to be below the subordination level for a tranche held by the Company, the security is determined not to have a credit loss.

To estimate expected credit losses for corporate debt securities, held to maturity, the Company's projected cash flows are primarily driven by assumptions regarding the severity of loss, which is a function of the probability of default and projected recovery rates. The Company's default and recovery rates are based on credit ratings, credit analysis and macroeconomic forecasts.

The allowance for expected credit losses is estimated based on the Company’s analysis of projected lifetime losses. The allowance for expected credit losses is charged to net income (loss) and is recognized in net investment gains (losses). Any adjustment to the allowance for expected credit losses is recognized in the period in which it is determined.

Equity Securities, at Fair Value

Equity securities are reported at fair value. The change in the fair values of equity securities, net of tax is recognized in net investment gains (losses) in the consolidated statements of operations.

Net investment income includes dividend income and is presented net of investment expenses. Investment income is recognized when earned. Purchases and sales of equity securities are recorded on a trade-date basis and realized gains (losses) on sales of equity securities are determined based on the specific identification method. Realized gains (losses) on equity securities are included in net investment gains (losses) in the consolidated statements of operations.

Mortgage Loans, Held for Investment, at Fair Value

Mortgage loans, held for investment are reported at amortized cost which is calculated as the unpaid principal balance, adjusted for any unamortized premium or discount, deferred fees or expenses.

Interest income and prepayment fees are recognized when earned. Interest income is recognized based on an effective yield method which gives effect to the amortization of premiums and accretion of discounts.

Mortgage loans, held for investment are presented net of an allowance for expected credit losses. The allowance for expected credit losses is estimated based on the Company’s analysis of projected lifetime losses. These projections take into account the Company’s experience with credit quality indicators, loan losses, defaults, loss severity, and loss expectations for loans with similar risk characteristics. These evaluations are revised as conditions change and new information becomes available.

The allowance for expected credit losses is recognized in net investment gains (losses) in the consolidated statements of operations. Any adjustment to the allowance for expected credit losses is recognized in the period in which it is determined.

Other Investments

Other investments are recorded at fair value (refer to Note 6 '*Fair Value Measurements*'). Changes in fair value and realized gains (losses) are reported in net investment income in the consolidated statements of operations.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Method Investments

Investments in which the Company has significant influence over the operating and financial policies of the investee are classified as equity method investments and are accounted for using the equity method of accounting. In applying the equity method of accounting, investments are initially recorded at cost and are subsequently adjusted based on the Company's proportionate share of net income or loss of the investee. Adjustments are based on the most recently available financial information from the investee. Changes in the carrying value of these investments are recorded in net income (loss) as interest in income (loss) of equity method investments.

Short-term Investments

Short-term investments primarily comprise highly liquid debt securities with maturities greater than three months but less than one year from the date of purchase. These investments are carried at amortized cost, which approximates fair value.

b) Cash and Cash Equivalents

Cash equivalents include money-market funds, fixed interest deposits and reverse repurchase agreements with a maturity of under 90 days when purchased. Cash and cash equivalents are recorded at amortized cost, which approximates fair value due to the short-term, liquid nature of these securities. Restricted cash primarily relates to funds held in trust to support obligations in regulatory jurisdictions where the Company operates as a non-admitted carrier and to support underwriting activities at Lloyd's.

c) Premiums and Acquisition Costs

Premiums

Insurance premiums written are recorded in accordance with the terms of the underlying policies.

Reinsurance premiums are recorded at the inception of the contract based on estimates received from ceding companies.

For multi-year contracts insurance and reinsurance premiums are recorded at the inception of the contract based on management's best estimate of total premiums to be received. Premiums are recognized on an annual basis for multi-year contracts where the cedant has the ability to unilaterally commute or cancel coverage within the term of the contract.

Any adjustments to insurance and reinsurance premium estimates are recognized in the period in which they are determined.

Insurance and reinsurance premiums are earned evenly over the period during which the Company is exposed to the underlying risk, which is generally one to two years with the exception of multi-year contracts. Unearned premiums represent the portion of premiums which relate to the unexpired term under contracts in force.

Reinstatement premiums are recognized and earned at the time a loss event occurs and losses are recorded, where the coverage limits for the remaining life of the contract are reinstated under pre-defined contract terms. The recognition of reinstatement premiums is based on estimates of losses and loss expenses, which reflects management's judgment (refer to Note 2(d) '*Losses and Loss Expenses*' below).

Insurance and reinsurance premium balances receivable ("premium balances receivable") are reviewed for impairment at least quarterly and are presented net of an allowance for expected credit losses. The allowance for expected credit losses is estimated based on the Company's analysis of amounts due, historical delinquencies and write-offs, and current economic conditions, together with reasonable and supportable forecasts of short-term economic conditions.

The allowance for expected credit losses is recognized in net income (loss). Any adjustment to the allowance for expected credit losses is recognized in the period in which it is determined.

Write-offs of premium balances receivable, together with associated allowances for expected credit losses, are recognized in the period in which balances are deemed uncollectible. The Company does not have a history of significant write-offs.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Acquisition Costs

Acquisition costs vary with and are directly related to the successful acquisition efforts of acquiring new or renewing existing insurance and reinsurance contracts and consist primarily of fees and commissions paid to brokers and premium taxes. In addition, certain of our contracts include profit commission provisions or other adjustable features that are estimated based on expected losses and loss expenses for those contracts. Acquisition costs are shown net of commissions on reinsurance purchased. Net acquisition costs are deferred and charged to net income (loss) as the related premium is earned. Insurance and reinsurance premium balances receivable is presented net of acquisition costs when contract terms provide for the right of offset.

Anticipated losses and loss expenses, other costs and investment income related to these premiums are considered in assessing the recoverability of deferred acquisition costs. Deferred acquisition cost amounts that are assessed to be irrecoverable are recognized in net income (loss) in the period in which the determination is made. Compensation expenses for personnel involved in contract acquisition, and advertising costs, are charged to net income (loss) when incurred.

d) Losses and Loss Expenses

Reserve for losses and loss expenses represents an estimate of the unpaid portion of the ultimate liability for losses and loss expenses for insured and reinsured events that have occurred at or before the balance sheet date. These amounts reflect claims that have been reported ("case reserves") and claims that have been incurred but have not yet been reported ("IBNR") and are reduced for estimated amounts of salvage and subrogation recoveries.

The Company reviews its reserve for losses and loss expenses on a quarterly basis. Case reserves are primarily established based on amounts reported by clients and/or their brokers. Management estimates IBNR after reviewing detailed actuarial analyses and applying informed judgment regarding qualitative factors that may not be fully captured in the actuarial estimates. A variety of actuarial methods are utilized in this process, including the Expected Loss Ratio, Chain Ladder and Bornhuetter-Ferguson methods. The estimate is highly dependent on management's judgment as to which method(s) are most appropriate for a particular accident/underwriting year and line of business. Historical claims data may be supplemented with industry benchmarks when applying these methodologies.

Any adjustments to estimates of reserve for losses and loss expenses are recognized in the period in which they are determined. While the Company believes that its reserves for losses and loss expenses are adequate, this estimate requires significant judgment and new information, events or circumstances may result in ultimate losses that are materially greater or less than provided for in the consolidated balance sheets.

e) Reinsurance

In the normal course of business, the Company purchases facultative and treaty reinsurance protection to limit its ultimate losses and to reduce its loss aggregation risk. The premiums paid to reinsurers (i.e., ceded premiums written) are recognized over the coverage period. Prepaid reinsurance premiums represent the portion of premiums ceded which relate to the unexpired term of the contracts in force. Reinstatement premiums are recognized and earned at the time a loss event occurs and losses are recorded, where the coverage limits for the remaining life of the contract are reinstated under pre-defined contract terms.

Reinsurance recoverable on unpaid losses and loss expenses ("reinsurance recoverables") related to case reserves is estimated on a case-by-case basis by applying the terms of applicable reinsurance cover to individual case reserve estimates. Reinsurance recoverables related to IBNR is generally developed as part of the Company's loss reserving process, therefore, its estimation is subject to similar risks and uncertainties as the estimation of IBNR. Estimates of amounts to be ceded under excess of loss reinsurance contracts also take into account pricing information for those contracts and require greater judgment than estimates for proportional contracts.

Reinsurance recoverable balances are reviewed for impairment at least quarterly and are presented net of an allowance for expected credit losses.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A case-specific allowance for expected credit losses against reinsurance recoverables that we deem are unlikely to be collected in full, is estimated based on the Company's analysis of amounts due, historical delinquencies and write-offs. In addition, a default analysis is used to estimate an allowance for expected credit losses on the remainder of the reinsurance recoverable balance. The principal components of the default analysis are reinsurance recoverable balances by reinsurer and default factors applied to estimate uncollectible amounts based on reinsurers' credit ratings and the length of collection periods. The default factors are based on a model developed by a major rating agency. The default analysis considers current and forecasted economic conditions.

The allowance for expected credit losses is recognized in net income (loss). Any adjustment to the allowance for expected credit losses is recognized in the period in which it is determined. Write-offs of reinsurance recoverable balances, together with associated allowances for expected credit losses, are recognized in the period in which balances are deemed uncollectible. The Company does not have a history of significant write-offs.

Retroactive Reinsurance

Retroactive reinsurance reimburses a ceding company for liabilities incurred as a result of past insurable events covered under contracts subject to the reinsurance. In certain instances, reinsurance contracts cover losses both on a prospective basis and on a retroactive basis and where practical the Company bifurcates the prospective and retroactive elements of these reinsurance contracts and accounts for each element separately. Initial gains in connection with retroactive reinsurance contracts are deferred and amortized into net income over the claims settlement period while losses are recognized immediately. When changes in the estimated amount recoverable from the reinsurer or in the timing of receipts related to that amount occur, a cumulative amortization adjustment is recognized in net income in the period in which the change is determined so that the deferred gain reflects the balance that would have existed had the revised estimate been available at the inception of the reinsurance transaction.

f) Foreign Exchange

The functional currency of the Company and the majority of its subsidiaries is the U.S. dollar. All foreign currency transactions are initially measured and recorded in functional currency using the rates of exchange prevailing at the transaction date.

Monetary assets and liabilities denominated in foreign currency are remeasured to functional currency at the rates of exchange in effect at the balance sheet date with the resulting foreign exchange losses (gains) generally being recognized in the consolidated statements of operations. Foreign exchange losses (gains) related to available for sale securities denominated in foreign currency represent an unrealized appreciation (depreciation) in the market value of the securities and are included in AOCI. Non-monetary assets and liabilities denominated in foreign currency are not subsequently remeasured.

The Company's reporting currency is the U.S. dollar. Assets and liabilities of the Company's subsidiaries and branches where the functional currency is not the U.S. dollar, are translated into U.S. dollars using the rates of exchange in effect at the balance sheet date, and revenue and expenses are translated using the weighted average foreign exchange rates for the period. The effect of translation adjustments is reported as a separate component of AOCI in total shareholders' equity.

g) Share-based Compensation

The Company is authorized to issue restricted shares, restricted stock units, performance restricted stock units, stock options, stock appreciation rights and other equity-based awards to its employees and directors. The Company's plan includes share-settled and cash-settled service and performance awards.

Restricted Stock Units - Share-Settled and Cash-Settled

The fair value of share-settled and cash-settled service awards is based on market value of the Company's common shares measured at the grant date and is expensed over the requisite service period. The fair value of the cash-settled service awards is recognized as a liability in the consolidated balance sheets and is remeasured at the end of each reporting period. The Company recognizes forfeitures when they occur.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Performance Restricted Stock Units - Share-Settled

The fair value of share-settled performance awards which include a market condition is measured on the grant date using a Monte Carlo simulation model which requires inputs including share price, expected volatility, expected term, expected dividend yield and risk-free interest rates. The fair value of share-settled performance awards which include a performance condition is based on the market value of the Company's common shares measured at the grant date.

The fair value of share-settled performance awards is recognized on a straight-line basis over the requisite service period. The Company recognizes forfeitures when they occur.

h) Derivative Instruments

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 ("FASB") definition of a derivative contract.

The Company measures all derivative instruments at fair value (refer to Note 6 '*Fair Value Measurements*') and recognizes these instruments in either other assets or other liabilities in the consolidated balance sheets. Subsequent changes in fair value and realized gains (losses) are recognized in net income (loss) in the consolidated statements of operations.

i) Goodwill and Intangible Assets

The Company recognizes goodwill and other intangible assets in connection with certain acquisitions. Goodwill represents the excess of the purchase price paid over the fair value of the net assets acquired in these acquisitions and is not amortized. Other intangible assets with a finite life are amortized over the estimated useful live of the intangible asset. Other intangible assets with an indefinite life are not amortized.

The Company tests goodwill and indefinite-lived intangible assets for potential impairment during the fourth quarter each year and between annual tests if an event occurs or changes in circumstances indicate that the asset is impaired. Such events or circumstances may include an economic downturn in a geographic market or a change in the assessment of future operations.

For the purpose of evaluating goodwill for impairment, the Company may first perform a qualitative assessment to determine whether it is necessary to perform a quantitative goodwill impairment test. If determined to be necessary, the quantitative test compares the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired. If the carrying amount of the reporting unit exceeds the fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

For the purpose of evaluating indefinite-lived intangibles for impairment, the Company may first perform a qualitative assessment to determine whether it is necessary to perform the quantitative impairment test. If the Company elects to perform a qualitative assessment, it first assesses qualitative factors to determine whether it is more likely than not that an indefinite lived intangible asset is impaired. If the Company determines that it is more likely than not that the indefinite lived intangible asset is impaired, the Company performs the quantitative impairment test.

For the purposes of evaluating goodwill and indefinite-lived intangible assets for impairment, the Company has an unconditional option to bypass the qualitative assessment in any period and proceed directly to performing the quantitative impairment test. The Company may resume performing the qualitative assessment in any subsequent period.

For other finite-lived intangible assets the Company tests for recoverability whenever events or changes in circumstances indicate its carrying amount may not be recoverable. The Company recognizes an impairment loss if the carrying amount of

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

the asset is not recoverable and exceeds its fair value. The carrying amount of a finite-lived intangible asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset.

If goodwill or an intangible asset is impaired, the carrying value of the asset is reduced to fair value and a corresponding expense is recorded in the consolidated statements of operations.

j) Income Taxes

Certain subsidiaries and branches of the Company operate in jurisdictions where they are subject to taxation.

Current and deferred income taxes are charged or credited to net income (loss), or in certain cases to AOCI, based on enacted tax laws and rates applicable in the relevant jurisdiction in the period in which the tax becomes accruable or realizable.

Deferred income taxes are provided for all temporary differences between the bases of assets and liabilities reported in the consolidated balance sheets and those reported in the various jurisdictional tax returns. When the assessment indicates that it is more likely than not that a portion of a deferred tax asset will not be realized in the foreseeable future, a valuation allowance against deferred tax assets is recorded.

The Company recognizes the tax benefits of uncertain tax positions only when the position is more-likely-than-not to be sustained on audit by the relevant taxing authorities.

k) Treasury Shares

Common shares repurchased by the Company and not subsequently canceled are classified as treasury shares and are recorded at cost. This results in a reduction of shareholders' equity in the consolidated balance sheets. The Company uses the average cost method to determine the cost of shares reissued from treasury.

l) Leases

The Company recognizes a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term related to office property and equipment leases.

The Company accounts for non-lease components separately from lease components. As a result, the non-lease components associated with the Company's leases are not included in the lease liabilities and right-of-use assets in the Company's consolidated balance sheets.

The Company does not record office property and equipment leases with an initial term of 12 months or less (short-term) in the Company's consolidated balance sheets.

m) Recently Issued Accounting Standards Not Yet Adopted

Segment Reporting

In November 2023, the FASB issued Accounting Standards Update ("ASU" or "Update") ASU 2023-07 "Segment Reporting (Topic 280) - *Improvements to Reportable Segment Disclosures*". The amendments in this Update improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The amendments in this update:

1. Require that a public entity disclose, on an annual and interim basis, significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss (collectively referred to as the "significant expense principle").
2. Require that a public entity disclose, on an annual and interim basis, an amount for other segment items by reportable segment and a description of its composition. The other segment items category is the difference between segment

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

revenue less the segment expenses disclosed under the significant expense principle and each reported measure of segment profit or loss.

3. Require that a public entity provide all annual disclosures about a reportable segment's profit or loss and assets currently required by Topic 280 in interim periods.

4. Clarify that if the CODM uses more than one measure of a segment's profit or loss in assessing segment performance and deciding how to allocate resources, a public entity may report one or more of those additional measures of segment profit. However, at least one of the reported segment profit or loss measures (or the single reported measure, if only one is disclosed) should be the measure that is most consistent with the measurement principles used in measuring the corresponding amounts in the public entity's consolidated financial statements. In other words, in addition to the measure that is most consistent with the measurement principles under generally accepted accounting principles (GAAP), a public entity is not precluded from reporting additional measures of a segment's profit or loss that are used by the CODM in assessing segment performance and deciding how to allocate resources.

5. Require that a public entity disclose the title and position of the CODM and an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources.

6. Require that a public entity that has a single reportable segment provide all the disclosures required by the amendments in this Update and all existing segment disclosures in Topic 280.

This guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within annual periods beginning after December 15, 2024. Early adoption is permitted. As this guidance relates solely to financial statement disclosures, the adoption of ASU 2023-07, will not impact the Company's results of operations, financial condition, or liquidity.

Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09 "Income Taxes (Topic 740) - *Improvements to Income Tax Disclosures*". The amendments in this Update provide more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information as follows:

Rate Reconciliation

The amendments in this Update require that public business entities on an annual basis (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5 percent of the amount computed by multiplying pretax income (or loss) by the applicable statutory income tax rate).

Income Taxes Paid

The amendments in this Update require that all entities disclose on an annual basis (1) the amount of income taxes paid (net of refunds received) disaggregated by federal (national), state, and foreign taxes and (2) the amount of income taxes paid (net of refunds received) disaggregated by individual jurisdictions in which income taxes paid (net of refunds received) if equal to or greater than 5 percent of total income taxes paid (net of refunds received).

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Disclosures

The amendments in this Update require that all entities disclose (1) income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign and (2) income tax expense (or benefit) from continuing operations disaggregated by federal (national), state, and foreign.

The amendments in this Update eliminate the requirement for all entities to (1) disclose the nature and estimate of the range of the reasonably possible change in the unrecognized tax benefits balance in the next 12 months or (2) make a statement that an estimate of the range cannot be made.

The amendments in this Update remove the requirement to disclose the cumulative amount of each type of temporary difference when a deferred tax liability is not recognized because of the exceptions to comprehensive recognition of deferred taxes related to subsidiaries.

The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied on a prospective basis. Retrospective application permitted.

3. SEGMENT INFORMATION

AXIS Capital's underwriting operations are organized around its global underwriting platforms, AXIS Insurance and AXIS Re. The Company has determined that it has two reportable segments, insurance and reinsurance. The Company does not allocate its assets by segment, with the exception of goodwill and intangible assets.

Insurance

The Company's insurance segment offers specialty insurance products to a variety of niche markets on a worldwide basis. The product lines in this segment are professional lines, property, liability, cyber, marine and aviation, accident and health, and credit and political risk.

Reinsurance

The Company's reinsurance segment provides treaty reinsurance to insurance companies on a worldwide basis. The product lines in this segment are liability, accident and health, professional lines, credit and surety, motor, agriculture, marine and aviation, and run-off lines which include catastrophe and property lines of business that the Company placed into run-off in 2022 and engineering lines of business that the Company placed into run-off in 2020.

The following tables present the underwriting results of the Company's reportable segments, as well as the carrying amounts of allocated goodwill and intangible assets:

3. SEGMENT INFORMATION (CONTINUED)

At and year ended December 31, 2023	Insurance	Reinsurance	Total
Gross premiums written	$ 6,140,764	$ 2,215,761	$ 8,356,525
Net premiums written	3,758,720	1,343,605	5,102,325
Net premiums earned	3,461,700	1,622,081	5,083,781
Other insurance related income (loss)	(198)	22,693	22,495
Net losses and loss expenses	(2,080,001)	(1,313,101)	(3,393,102)
Acquisition costs	(648,463)	(352,482)	(1,000,945)
Underwriting-related general and administrative expenses	(472,094)	(79,373)	(551,467)
Underwriting income (loss)	$ 260,944	$ (100,182)	160,762
Net investment income			611,742
Net investment gains (losses)			(74,630)
Corporate expenses			(132,979)
Foreign exchange (losses) gains			(58,115)
Interest expense and financing costs			(68,421)
Reorganization expenses			(28,997)
Amortization of value of business acquired			—
Amortization of intangible assets			(10,917)
Income before income taxes and interest in income of equity method investments			398,445
Income tax expense			(26,316)
Interest in income of equity method investments			4,163
Net income			376,292
Preferred share dividends			30,250
Net income available to common shareholders			$ 346,042
Net losses and loss expenses ratio	60.1 %	81.0 %	66.7 %
Acquisition cost ratio	18.7 %	21.7 %	19.7 %
General and administrative expense ratio	13.7 %	4.9 %	13.5 %
Combined ratio	92.5 %	107.6 %	99.9 %
Goodwill and intangible assets	$ 287,684	$ —	$ 287,684

3. SEGMENT INFORMATION (CONTINUED)

At and year ended December 31, 2022	Insurance	Reinsurance	Total
Gross premiums written	$ 5,585,581	$ 2,629,014	$ 8,214,595
Net premiums written	3,377,906	1,885,150	5,263,056
Net premiums earned	3,134,155	2,026,171	5,160,326
Other insurance related income	559	12,514	13,073
Net losses and loss expenses	(1,785,854)	(1,456,556)	(3,242,410)
Acquisition costs	(577,838)	(444,179)	(1,022,017)
Underwriting-related general and administrative expenses	(443,704)	(106,585)	(550,289)
Underwriting income	$ 327,318	$ 31,365	358,683
Net investment income			418,829
Net investment gains (losses)			(456,789)
Corporate expenses			(130,054)
Foreign exchange gains			157,945
Interest expense and financing costs			(63,146)
Reorganization expenses			(31,426)
Amortization of value of business acquired			—
Amortization of intangible assets			(10,917)
Income before income taxes and interest in income of equity method investments			243,125
Income tax expense			(22,037)
Interest in income of equity method investments			1,995
Net income			223,083
Preferred share dividends			30,250
Net income available to common shareholders			$ 192,833
Net losses and loss expenses ratio	57.0 %	71.9 %	62.8 %
Acquisition cost ratio	18.4 %	21.9 %	19.8 %
General and administrative expense ratio	14.2 %	5.3 %	13.2 %
Combined ratio	89.6 %	99.1 %	95.8 %
Goodwill and intangible assets	$ 298,601	$ —	$ 298,601

3. SEGMENT INFORMATION (CONTINUED)

At and year ended December 31, 2021	Insurance	Reinsurance	Total
Gross premiums written	$ 4,863,232	$ 2,822,752	$ 7,685,984
Net premiums written	2,894,885	2,031,739	4,926,624
Net premiums earned	2,651,339	2,058,511	4,709,850
Other insurance related income	1,662	21,633	23,295
Net losses and loss expenses	(1,514,998)	(1,493,785)	(3,008,783)
Acquisition costs	(484,344)	(437,490)	(921,834)
Underwriting-related general and administrative expenses	(429,282)	(107,552)	(536,834)
Underwriting income	$ 224,377	$ 41,317	265,694
Net investment income			454,301
Net investment gains			134,279
Corporate expenses			(126,470)
Foreign exchange (losses) gains			(315)
Interest expense and financing costs			(62,302)
Reorganization expenses			—
Amortization of value of business acquired			(3,854)
Amortization of intangible assets			(12,424)
Income before income taxes and interest in income of equity method investments			648,909
Income tax expense			(62,384)
Interest in income of equity method investments			32,084
Net income			618,609
Preferred share dividends			30,250
Net income available to common shareholders			$ 588,359
Net losses and loss expenses ratio	57.1 %	72.6 %	63.9 %
Acquisition cost ratio	18.3 %	21.3 %	19.6 %
General and administrative expense ratio	16.2 %	5.1 %	14.0 %
Combined ratio	91.6 %	99.0 %	97.5 %
Goodwill and intangible assets	$ 309,518	$ —	$ 309,518

The following table presents gross premiums written by the geographical location of the Company's subsidiaries:

Years ended December 31,	2023	2022	2021
U.S.	**$ 4,484,789**	$ 4,342,707	$ 4,002,748
Ireland	**1,837,177**	1,931,815	1,667,496
Lloyd's of London	**1,759,990**	1,567,458	1,473,047
Bermuda	**274,569**	372,615	542,693
Gross premiums written	**$ 8,356,525**	$ 8,214,595	$ 7,685,984

3. SEGMENT INFORMATION (CONTINUED)

The following table presents net premiums earned by segment and line of business:

Years ended December 31,	2023	2022	2021
Insurance			
Professional lines	**$ 764,558**	$ 817,924	$ 646,390
Property	**878,849**	755,986	711,297
Liability	**496,381**	459,775	354,787
Cyber	**323,025**	309,004	252,077
Marine and aviation	**567,292**	479,499	439,050
Accident and health	**306,061**	209,548	151,133
Credit and political risk	**125,534**	102,419	96,605
Total Insurance	**3,461,700**	3,134,155	2,651,339
Reinsurance			
Liability	**403,239**	484,681	431,596
Accident and health	**341,806**	368,747	361,196
Professional lines	**205,404**	250,911	220,448
Credit and surety	**236,408**	192,926	158,549
Motor	**155,942**	205,774	247,099
Agriculture	**121,628**	122,289	82,743
Marine and aviation	**65,658**	78,504	58,775
Run-off lines			
Catastrophe	**33,963**	156,232	238,775
Property	**44,508**	135,480	231,092
Engineering	**13,525**	30,627	28,238
Total run-off lines	**91,996**	322,339	498,105
Total Reinsurance	**1,622,081**	2,026,171	2,058,511
Total	**$ 5,083,781**	$ 5,160,326	$ 4,709,850

4. GOODWILL AND INTANGIBLE ASSETS

The table below provides details of goodwill and intangible assets related to the Company's insurance segment:

	Goodwill	Intangible assets with an indefinite life	Intangible assets with a finite life	Total
December 31, 2021				
Gross amount	$ 95,890	$ 120,784	$ 394,604	$ 611,278
Accumulated amortization	n/a	n/a	(291,901)	(291,901)
Accumulated translation adjustment	4,911	—	—	4,911
	100,801	120,784	102,703	324,288
Amortization	n/a	n/a	(14,770)	(14,770)
Impairment charges	—	—	—	—
At December 31, 2022				
Gross amount	95,890	120,784	394,604	611,278
Accumulated amortization	n/a	n/a	(306,671)	(306,671)
Accumulated translation adjustment	4,911	—	—	4,911
	100,801	120,784	87,933	309,518
Amortization	n/a	n/a	(10,917)	(10,917)
Impairment charges	—	—	—	—
At December 31, 2023				
Gross amount	**95,890**	**120,784**	**394,604**	**611,278**
Accumulated amortization	**n/a**	**n/a**	**(317,588)**	**(317,588)**
Accumulated translation adjustment	**4,911**	**—**	**—**	**4,911**
	100,801	**120,784**	**77,016**	**298,601**
Amortization	**n/a**	**n/a**	**(10,917)**	**(10,917)**
Impairment charges	**—**	**—**	**—**	**—**
	$ 100,801	**$ 120,784**	**$ 66,099**	**$ 287,684**

n/a – not applicable

Intangible Assets with an Indefinite Life

Intangible assets with an indefinite life include U.S. state licenses that provide a legal right to transact business indefinitely and the value of Lloyd's syndicate capacity, which represents the right to underwrite a certain allocated limit of premium in the Lloyd's market.

Impairment Review

The Company's impairment review of goodwill and indefinite lived intangibles did not result in the recognition of an impairment loss for the years ended December 31, 2023 and 2022 and 2021.

4. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

The tables below provide details of the gross amount and accumulated amortization by category of value of business acquired ("VOBA") and intangible assets:

	VOBA and intangible assets		
At December 31, 2023	**Gross amount**	**Accumulated amortization**	**Total**
U.S. state licenses	$ 26,036	n/a	$ 26,036
Syndicate capacity [(2)]	94,748	n/a	94,748
Customer relationships and customers lists - Ternian [(1)]	13,330	(11,661)	1,669
VOBA - Novae [(2)]	256,942	(256,942)	—
Coverholders [(2)]	63,565	(33,110)	30,455
Large brokers [(2)]	46,641	(19,435)	27,206
SME brokers [(2)]	14,126	(7,357)	6,769
	$ 515,388	**$ (328,505)**	**$ 186,883**

n/a – not applicable
(1) On April 1, 2015, the Company completed its acquisition of Ternian Insurance Group LLC (renamed AXIS Group Benefits LLC in 2022) and recognized the definite life intangible assets detailed above.
(2) On October 2, 2017, the Company acquired Novae and recognized finite lived intangible assets, including VOBA, distribution networks, and indefinite lived intangible assets related to Lloyd's syndicate capacity, all detailed above.

	VOBA and intangible assets		
At December 31, 2022	**Gross amount**	**Accumulated amortization**	**Total**
U.S. state licenses	$ 26,036	n/a	$ 26,036
Syndicate capacity [(2)]	94,748	n/a	94,748
Customer relationships and customers lists - Ternian [(1)]	13,330	(10,329)	3,001
VOBA - Novae [(2)]	256,942	(256,942)	—
Coverholders [(2)]	63,565	(27,812)	35,753
Large brokers [(2)]	46,641	(16,325)	30,316
SME brokers [(2)]	14,126	(6,180)	7,946
	$ 515,388	**$ (317,588)**	**$ 197,800**

n/a – not applicable
(1) On April 1, 2015, the Company completed its acquisition of Ternian Insurance Group LLC (renamed AXIS Group Benefits LLC in 2022) and recognized the definite life intangible assets detailed above.
(2) On October 2, 2017, the Company acquired Novae and recognized finite lived intangible assets, including VOBA, distribution networks, and indefinite lived intangible assets related to Lloyd's syndicate capacity, all detailed above.

4. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

The table below provides details of estimated amortization expense of intangible assets with a finite life:

	Total
2024	$ 10,916
2025	9,919
2026	9,583
2027	9,583
2028	9,583
After 2028	16,515
Total remaining amortization expense	66,099
Indefinite lived intangible assets	120,784
Total intangible assets	**$ 186,883**

The estimated remaining average useful life of finite lived intangible assets is 7 years.

5. INVESTMENTS

a) Fixed Maturities, Available for Sale

The following table provides the amortized cost and fair values of the Company's fixed maturities classified as available for sale:

	Amortized cost	Allowance for expected credit losses	Gross unrealized gains	Gross unrealized losses	Fair value
At December 31, 2023					
Available for sale					
U.S. government and agency	**$ 3,049,445**	**$ —**	**$ 13,211**	**$ (55,128)**	**$ 3,007,528**
Non-U.S. government	**729,761**	**(30)**	**13,089**	**(18,861)**	**723,959**
Corporate debt	**4,651,654**	**(10,438)**	**49,434**	**(216,478)**	**4,474,172**
Agency RMBS[1]	**1,706,204**	**—**	**11,495**	**(83,038)**	**1,634,661**
CMBS[2]	**897,553**	**—**	**551**	**(58,408)**	**839,696**
Non-agency RMBS	**165,910**	**(194)**	**713**	**(13,033)**	**153,396**
ABS[3]	**1,265,187**	**(50)**	**2,855**	**(25,021)**	**1,242,971**
Municipals[4]	**168,540**	**(47)**	**414**	**(10,548)**	**158,359**
Total fixed maturities, available for sale	**$ 12,634,254**	**$ (10,759)**	**$ 91,762**	**$ (480,515)**	**$ 12,234,742**
At December 31, 2022					
Available for sale					
U.S. government and agency	$ 2,731,733	$ —	$ 5,386	$ (97,789)	$ 2,639,330
Non-U.S. government	612,546	—	2,395	(52,912)	562,029
Corporate debt	4,680,798	(11,521)	5,269	(418,990)	4,255,556
Agency RMBS[1]	1,297,423	—	4,663	(99,301)	1,202,785
CMBS[2]	1,029,863	—	60	(82,145)	947,778
Non-agency RMBS	151,907	(123)	275	(18,525)	133,534
ABS[3]	1,499,728	(35)	555	(70,721)	1,429,527
Municipals[4]	172,475	(54)	139	(16,205)	156,355
Total fixed maturities, available for sale	$ 12,176,473	$ (11,733)	$ 18,742	$ (856,588)	$ 11,326,894

(1) Residential mortgage-backed securities ("RMBS") originated by U.S. government-sponsored agencies.
(2) Commercial mortgage-backed securities ("CMBS").
(3) Asset-backed securities ("ABS") include debt tranched securities collateralized primarily by auto loans, student loans, credit card receivables and collateralized loan obligations ("CLOs").
(4) Municipals include bonds issued by states, municipalities and political subdivisions.

5. INVESTMENTS (CONTINUED)

Contractual Maturities

Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

The table below provides the contractual maturities of fixed maturities classified as available for sale:

	Amortized cost	Fair value	% of Total fair value
At December 31, 2023			
Maturity			
Due in one year or less	**$ 474,557**	**$ 463,789**	**3.6 %**
Due after one year through five years	**5,902,571**	**5,790,493**	**47.3 %**
Due after five years through ten years	**2,064,619**	**1,954,449**	**16.0 %**
Due after ten years	**157,653**	**155,287**	**1.3 %**
	8,599,400	**8,364,018**	**68.2 %**
Agency RMBS	**1,706,204**	**1,634,661**	**13.4 %**
CMBS	**897,553**	**839,696**	**6.9 %**
Non-agency RMBS	**165,910**	**153,396**	**1.3 %**
ABS	**1,265,187**	**1,242,971**	**10.2 %**
Total	**$ 12,634,254**	**$ 12,234,742**	**100.0 %**
At December 31, 2022			
Maturity			
Due in one year or less	$ 422,039	$ 409,972	3.7 %
Due after one year through five years	5,349,123	5,078,273	44.8 %
Due after five years through ten years	2,192,344	1,919,450	16.9 %
Due after ten years	234,046	205,575	1.8 %
	8,197,552	7,613,270	67.2 %
Agency RMBS	1,297,423	1,202,785	10.6 %
CMBS	1,029,863	947,778	8.4 %
Non-agency RMBS	151,907	133,534	1.2 %
ABS	1,499,728	1,429,527	12.6 %
Total	$ 12,176,473	$ 11,326,894	100.0 %

5. INVESTMENTS (CONTINUED)

Gross Unrealized Losses

The following table summarizes fixed maturities, available for sale in an unrealized loss position and the aggregate fair value and gross unrealized loss by length of time the security has continuously been in an unrealized loss position:

	12 months or greater		Less than 12 months		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
At December 31, 2023						
Fixed maturities, available for sale						
U.S. government and agency	**$ 846,503**	**$ (42,465)**	**$ 867,733**	**$ (12,663)**	**$ 1,714,236**	**$ (55,128)**
Non-U.S. government	**233,038**	**(18,178)**	**115,112**	**(683)**	**348,150**	**(18,861)**
Corporate debt	**2,623,304**	**(210,512)**	**240,813**	**(5,966)**	**2,864,117**	**(216,478)**
Agency RMBS	**778,656**	**(80,070)**	**218,606**	**(2,968)**	**997,262**	**(83,038)**
CMBS	**703,411**	**(54,856)**	**75,242**	**(3,552)**	**778,653**	**(58,408)**
Non-agency RMBS	**98,483**	**(13,013)**	**10,017**	**(20)**	**108,500**	**(13,033)**
ABS	**879,743**	**(24,747)**	**83,582**	**(274)**	**963,325**	**(25,021)**
Municipals	**129,969**	**(10,156)**	**6,238**	**(392)**	**136,207**	**(10,548)**
Total fixed maturities, available for sale	**$ 6,293,107**	**$ (453,997)**	**$ 1,617,343**	**$ (26,518)**	**$ 7,910,450**	**$ (480,515)**
At December 31, 2022						
Fixed maturities, available for sale						
U.S. government and agency	$ 467,032	$ (41,365)	$ 1,414,181	$ (56,424)	$ 1,881,213	$ (97,789)
Non-U.S. government	207,637	(33,027)	298,048	(19,885)	505,685	(52,912)
Corporate debt	1,562,355	(268,289)	2,350,504	(150,701)	3,912,859	(418,990)
Agency RMBS	220,595	(40,469)	771,191	(58,832)	991,786	(99,301)
CMBS	343,494	(40,888)	599,877	(41,257)	943,371	(82,145)
Non-agency RMBS	75,137	(14,691)	53,484	(3,834)	128,621	(18,525)
ABS	685,990	(48,913)	686,190	(21,808)	1,372,180	(70,721)
Municipals	52,994	(10,120)	96,003	(6,085)	148,997	(16,205)
Total fixed maturities, available for sale	$ 3,615,234	$ (497,762)	$ 6,269,478	$ (358,826)	$ 9,884,712	$ (856,588)

At December 31, 2023, 3,535 fixed maturities (2022: 4,525) were in an unrealized loss position of $481 million (2022: $857 million) of which $13 million (2022: $64 million) was related to securities below investment grade or not rated.

At December 31, 2023, 3,212 fixed maturities (2022: 1,842) had been in a continuous unrealized loss position for twelve months or greater and had a fair value of $6,293 million (2022: $3,615 million).

The unrealized losses of $481 million (2022: $857 million) were due to non-credit factors and were expected to be recovered as the related securities approach maturity.

At December 31, 2023, the Company did not intend to sell the securities in an unrealized loss position and it is more likely than not that the Company will not be required to sell these securities before the anticipated recovery of their amortized costs.

5. INVESTMENTS (CONTINUED)

b) Fixed Maturities, Held to Maturity

The following table provides the amortized cost and fair values of the Company's fixed maturities classified as held to maturity:

	Amortized cost	Allowance for expected credit losses	Net carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
At December 31, 2023						
Held to maturity						
Corporate debt	**$ 95,200**	**$ —**	**$ 95,200**	**$ 298**	**$ (8,827)**	**$ 86,671**
ABS[1]	**591,096**	**—**	**591,096**	**5**	**(1,921)**	**589,180**
Total fixed maturities, held to maturity	**$ 686,296**	**$ —**	**$ 686,296**	**$ 303**	**$ (10,748)**	**$ 675,851**
At December 31, 2022						
Held to maturity						
Corporate debt	$ 85,200	$ —	$ 85,200	$ —	$ (11,428)	$ 73,772
ABS[1]	613,151	—	613,151	—	(12,180)	600,971
Total fixed maturities, held to maturity	$ 698,351	$ —	$ 698,351	$ —	$ (23,608)	$ 674,743

(1) Asset-backed securities ("ABS") include debt tranched securities collateralized primarily by collateralized loan obligations ("CLOs").

At December 31, 2023, fixed maturities, held to maturity of $686 million (2022: $698 million) were presented net of an allowance for expected credit losses of $nil (2022: $nil).

The Company's ABS, held to maturity consist of CLO debt tranched securities. The Company uses a scenario-based approach to review its CLO debt portfolio and reviews subordination levels of these securities to determine their ability to absorb credit losses of the underlying collateral. If losses are forecast to be below the subordination level for a tranche held by the Company, the security is determined not to have a credit loss. At December 31, 2023 and 2022, the allowance for credit losses expected to be recognized over the life of the Company's ABS, held to maturity was $nil.

To estimate expected credit losses for corporate debt securities, held to maturity, the Company's projected cash flows are primarily driven by assumptions regarding the severity of loss, which is a function of the probability of default and projected recovery rates. The Company's default and recovery rates are based on credit ratings, credit analysis and macroeconomic forecasts. At December 31, 2023 and 2022, the allowance for credit losses expected to be recognized over the life of the Company's corporate debt, held to maturity was $nil.

Contractual Maturities

Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties. ABS classified as held to maturity with a net carrying value of $591 million (2022: $613 million) do not have a single maturity date and cannot be allocated over several maturity groupings.

Corporate debt classified as held to maturity with a net carrying value of $95 million (2022: $81 million) is due between 3 years and 10 years and corporate debt classified as held to maturity with a net carrying value of $nil (2022: $4 million) is due after ten years.

5. INVESTMENTS (CONTINUED)

c) Equity Securities

The following table provides the cost and fair values of the Company's equity securities:

	Cost	Gross unrealized gains	Gross unrealized losses	Fair value
At December 31, 2023				
Equity securities				
Common stocks	**$ 2,843**	**$ 101**	**$ (398)**	**$ 2,546**
Preferred stocks	**5,496**	**218**	**(113)**	**5,601**
Exchange-traded funds	**182,989**	**105,858**	**(1,572)**	**287,275**
Bond mutual funds	**352,505**	**4,119**	**(63,535)**	**293,089**
Total equity securities	**$ 543,833**	**$ 110,296**	**$ (65,618)**	**$ 588,511**
At December 31, 2022				
Equity securities				
Common stocks	$ 7,279	$ 636	$ (442)	$ 7,473
Preferred stocks	115	—	(43)	72
Exchange-traded funds	207,505	68,058	(5,757)	269,806
Bond mutual funds	279,457	—	(71,555)	207,902
Total equity securities	$ 494,356	$ 68,694	$ (77,797)	$ 485,253

5. INVESTMENTS (CONTINUED)

d) Mortgage Loans

The following table provides details of the Company's mortgage loans, held for investment:

	December 31, 2023		December 31, 2022	
	Carrying value	% of Total	Carrying value	% of Total
Mortgage loans held for investment:				
Commercial	$ 616,368	101 %	$ 627,437	100 %
Allowance for expected credit losses	(6,220)	(1 %)	—	— %
Total mortgage loans held for investment	**$ 610,148**	**100 %**	$ 627,437	100 %

The primary credit quality indicators for commercial mortgage loans are the debt service coverage ratio which compares a property's net operating income to amounts needed to service the principal and interest due under the loan, (generally, the lower the debt service coverage ratio, the higher the risk of experiencing a credit loss) and the loan-to-value ratio which compares the unpaid principal balance of the loan to the estimated fair value of the underlying collateral (generally, the higher the loan-to-value ratio, the higher the risk of experiencing a credit loss). The debt service coverage ratio and loan-to-value ratio, as well as the values utilized in calculating these ratios, are updated quarterly.

The Company has a high quality mortgage loan portfolio with a weighted average debt service coverage ratio of 1.9x (2022: 2.3x) and a weighted average loan-to-value ratio of 71% (2022: 60%). At December 31, 2023 and 2022, there were no past due amounts associated with the commercial mortgage loans held by the Company.

On a quarterly basis, collateral dependent mortgage loans (e.g., when the borrower is experiencing financial difficulty, including when foreclosure is reasonably possible or probable) are evaluated individually for credit losses. The allowance for expected credit losses for a collateral dependent loan is established as the excess of amortized cost over the estimated fair value of the loan's underlying collateral, less selling cost when foreclosure is probable. Accordingly, the change in the estimated fair value of collateral dependent loans, which are evaluated individually for credit losses, is recognized as a change in the allowance for expected credit losses which is recorded in net investment gains (losses).

At December 31, 2023, there are two collateral dependent loans with estimated loan-to-value ratios in excess of 100%, resulting in an allowance for expected credit loss of $6 million (2022: $nil).

5. INVESTMENTS (CONTINUED)

e) Other Investments

The following table provides a summary of the Company's other investments, together with additional information relating to the liquidity of each category:

	Fair value		Redemption frequency (if currently eligible)	Redemption notice period
At December 31, 2023				
Multi-strategy funds	**$ 24,619**	**3 %**	**Quarterly**	**60-90 days**
Direct lending funds	**192,270**	**20 %**	**Quarterly(1)**	**90 days**
Private equity funds	**301,712**	**32 %**	**n/a**	**n/a**
Real estate funds	**317,325**	**33 %**	**Quarterly(2), Annually(3)**	**45-90 days**
CLO-Equities	**5,300**	**1 %**	**n/a**	**n/a**
Other privately held investments	**108,187**	**11 %**	**n/a**	**n/a**
Total other investments	**$ 949,413**	**100 %**		
At December 31, 2022				
Multi-strategy funds	$ 32,616	3 %	Quarterly	60-90 days
Direct lending funds	258,626	26 %	Quarterly(1)	90 days
Private equity funds	265,836	27 %	n/a	n/a
Real estate funds	298,499	30 %	Quarterly(2), Annually(3)	45-90 days
CLO-Equities	5,016	— %	n/a	n/a
Other privately held investments	136,158	14 %	n/a	n/a
Total other investments	$ 996,751	100 %		

n/a – not applicable
(1) Applies to one fund with a fair value of $17 million (2022: $39 million).
(2) Applies to one fund with a fair value of $66 million (2022: $73 million).
(3) Applies to one fund with a fair value of $25 million (2022: $27 million).

The investment strategies for the above funds are as follows:

- *Multi-strategy funds*: Seek to achieve above-market returns by pursuing multiple investment strategies to diversify risks and reduce volatility. This category includes funds of hedge funds which invest in a large pool of hedge funds across a diversified range of hedge fund strategies.
- *Direct lending funds*: Seek to achieve attractive risk-adjusted returns, including current income generation, by investing in funds which provide financing directly to borrowers.
- *Private equity funds*: Seek to achieve attractive risk-adjusted returns by investing in private transactions over the course of several years.
- *Real estate funds*: Seek to achieve attractive risk-adjusted returns by making and managing investments in real estate and real estate securities and businesses.

5. INVESTMENTS (CONTINUED)

Two common redemption restrictions which may impact the Company's ability to redeem multi-strategy funds are gates and lockups. A gate is a suspension of redemptions which may be implemented by the general partner or investment manager of the fund in order to defer, in whole or in part, the redemption request in the event the aggregate amount of redemption requests exceeds a predetermined percentage of the fund’s net assets which may otherwise hinder the general partner or investment manager’s ability to liquidate holdings in an orderly fashion in order to generate the cash necessary to fund extraordinarily large redemption payouts. A lockup period is the initial amount of time an investor is contractually required to hold the security before having the ability to redeem. During 2023 and 2022, neither of these restrictions impacted the Company's redemption requests. At December 31, 2023, there were no multi-strategy fund holdings (2022: nil) where the Company is still within the lockup period.

At December 31, 2023, the Company had $28 million (2022: $26 million) of unfunded commitments as a limited partner in multi-strategy funds. Once the full amount of committed capital has been called by the General Partner of each of these funds, the assets will not be fully returned until after the completion of the funds' investment term. These funds have investment terms ranging from two years to the dissolution of the underlying fund.

At December 31, 2023, the Company had $192 million (2022: $183 million) of unfunded commitments as a limited partner in direct lending funds. Once the full amount of committed capital has been called by the General Partner of each of these funds, the assets will not be fully returned until the completion of the fund's investment term. These funds have investment terms ranging from four to ten years and the General Partners of certain funds have the option to extend the term by up to three years.

At December 31, 2023, the Company had $145 million (2022: $158 million) of unfunded commitments as a limited partner in private equity funds. The life of the funds is subject to the dissolution of the underlying funds. The Company expects the overall holding period to be over six years.

At December 31, 2023, the Company had $107 million (2022: $141 million) of unfunded commitments as a limited partner in real estate funds. These funds include an open-ended fund and funds with investment terms ranging from two years to the dissolution of the underlying fund.

At December 31, 2023, the Company had $30 million (2022: $16 million) of unfunded commitments as a limited partner in three private company investment funds focusing on financial services technology companies with an emphasis on insurance technology companies ("private company investment funds"). Two of these funds have investment terms of 5 years and one fund has an investment term of 10 years.

f) Equity Method Investments

During 2023, the Company paid $22 million to acquire 18% of the common equity of Monarch Point Re (ISAC) Ltd. ("Monarch Point Re") and Monarch Point Re (ISA 2023) Ltd. (and collectively "Monarch Point Re"), a collateralized reinsurance company formed under the laws of Bermuda as an incorporated segregated accounts company under the Incorporated Segregated Accounts Companies Act 2019, as amended (the “ISAC Act”). Monarch Point Re is an independent reinsurer jointly sponsored by the Company and Stone Point Credit, LLC ("Stone Point").

The Company retrocedes a diversified portfolio of casualty reinsurance business to Monarch Point Re and Stone Point serves as its investment manager. The Company expects to benefit from underwriting fees generated by Monarch Point Re and the income and capital appreciation Stone Point seeks to deliver through its investment management services.

Monarch Point Re is not a Variable Interest Entity ("VIE") that is required to be included in the Company's consolidated financial statements. The Company accounts for its ownership interest in Monarch Point Re under the equity method of accounting.

5. INVESTMENTS (CONTINUED)

During 2016, the Company paid $108 million including direct transaction costs to acquire 19% of the common equity of Harrington Reinsurance Holdings Limited ("Harrington"), the parent company of Harrington Re Ltd. ("Harrington Re"), an independent reinsurance company jointly sponsored by the Company and The Blackstone Group L.P. ("Blackstone").

Through long-term service agreements, the Company serves as Harrington Re's reinsurance underwriting manager and Blackstone serves as exclusive investment management service provider. As an investor, the Company expects to benefit from underwriting profit generated by Harrington Re and the income and capital appreciation Blackstone seeks to deliver through its investment management services. In addition, the Company has entered into an arrangement with Blackstone under which underwriting and investment related fees will be shared equally.

Harrington is not a VIE that is required to be included in the Company's consolidated financial statements. The Company accounts for its ownership interest in Harrington under the equity method of accounting. The Company's proportionate share of the underlying equity in net assets resulted in a basis difference of $5 million which represents initial transactions costs.

g) Variable Interest Entities

In the normal course of investing activities, the Company actively manages allocations to non-controlling tranches of structured securities which are variable interests issued by VIEs. These structured securities include RMBS, CMBS and ABS.

The Company also invests in limited partnerships which represent 75% of the Company's other investments. The investments in limited partnerships include multi-strategy funds, direct lending funds, private equity funds, real estate funds and CLO equity tranched securities, which are variable interests issued by VIEs (refer to Note 5(e) '*Other Investments*').

The Company does not have the power to direct the activities that are most significant to the economic performance of these VIEs. Therefore, the Company is not the primary beneficiary of these VIEs. The maximum exposure to loss on these interests is limited to the amount of commitment made by the Company. The Company has not provided financial or other support to these structured securities other than the original investment.

h) Net Investment Income

Net investment income was derived from the following sources:

Year ended December 31,	**2023**	2022	2021
Fixed maturities	**$ 514,842**	$ 329,858	$ 262,049
Other investments	**20,411**	57,043	181,906
Equity securities	**12,088**	10,390	12,752
Mortgage loans	**35,312**	23,407	17,427
Cash and cash equivalents	**50,261**	20,273	4,454
Short-term investments	**8,924**	3,535	664
Gross investment income	**641,838**	444,506	479,252
Investment expenses	**(30,096)**	(25,677)	(24,951)
Net investment income	**$ 611,742**	$ 418,829	$ 454,301

5. INVESTMENTS (CONTINUED)

i) Net Investment Gains (Losses)

The following table provides an analysis of net investment gains (losses):

Year ended December 31,	**2023**	**2022**	**2021**
Gross realized investment gains			
Fixed maturities and short-term investments	**$ 32,920**	$ 16,671	$ 137,729
Equity securities	**16,847**	7,687	5,413
Gross realized investment gains	**49,767**	24,358	143,142
Gross realized investment losses			
Fixed maturities and short-term investments	**(158,080)**	(328,493)	(42,613)
Equity securities	**(639)**	(406)	(696)
Gross realized investment losses	**(158,719)**	(328,899)	(43,309)
(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	**974**	(11,421)	11
(Increase) decrease in allowance for expected credit losses, mortgage loans	**(6,220)**	—	—
Impairment losses(1)	**(12,757)**	(12,568)	(22)
Change in fair value of investment derivatives(2)	**(1,456)**	7,656	4,346
Net unrealized gains (losses) on equity securities	**53,781**	(135,915)	30,111
Net investment gains (losses)	**$ (74,630)**	$ (456,789)	$ 134,279

(1) Related to instances where the Company intends to sell securities or it is more likely than not that the Company will be required to sell securities before their anticipated recovery.
(2) Refer to Note 7 *'Derivative Instruments'*.

The following table provides a reconciliation of the beginning and ending balances of the allowance for expected credit losses on fixed maturities classified as available for sale:

Year ended December 31,	**2023**	**2022**	**2021**
Balance at beginning of period	**$ 11,733**	$ 313	$ 323
Expected credit losses on securities where credit losses were not previously recognized	**5,200**	17,830	95
Additions (reductions) for expected credit losses on securities where credit losses were previously recognized	**4,934**	(3,831)	50
Impairments of securities which the Company intends to sell or more likely than not will be required to sell	**—**	—	—
Securities sold/redeemed/matured	**(11,108)**	(2,579)	(155)
Balance at end of period	**$ 10,759**	$ 11,733	$ 313

5. INVESTMENTS (CONTINUED)

Fixed Maturities

The Company evaluates available for sale securities for expected credit losses when fair value is below amortized cost. If the Company intends to sell or will be required to sell the security before its anticipated recovery, the full amount of the impairment loss is charged to net income (loss). If the Company does not intend to sell or will not be required to sell the security before its anticipated recovery, an allowance for expected credit losses is established and the portion of the loss that relates to credit losses is recorded in net income (loss).

A summary of credit loss activity by asset class, the significant inputs and the methodology used to estimate credit losses are described below.

U.S. Government, U.S. Agency and U.S. Agency RMBS

Unrealized losses on securities issued or backed, either explicitly or implicitly by the U.S. government are not analyzed for credit losses. The Company has concluded that the possibility of a credit loss on these securities is highly unlikely due to the explicit U.S. government guarantee related to certain securities (e.g., Government National Mortgage Association issuances) and the implicit guarantee related to other securities that has been validated by past actions (e.g., U.S. government bailout of Federal National Mortgage Association and Federal Home Loan Mortgage Corporation during the 2008 credit crisis).

Although these securities are not analyzed for credit losses, they are evaluated for intention to sell and likely requirement to sell.

Non-U.S. Government

Non-U.S. government securities are evaluated for expected credit losses primarily through qualitative assessments of the likelihood of credit losses using information such as severity of unrealized losses, credit ratings and price volatility. At December 31, 2023, the gross unrealized losses of $19 million included foreign exchange losses of $6 million. At December 31, 2023, the allowance for expected credit losses on non-U.S. government fixed maturities related to loss severity where the forecasted recovery to amortized cost is uncertain.

At December 31, 2022, the gross unrealized losses of $53 million included foreign exchange losses of $24 million. At December 31, 2022, the Company did not anticipate any credit losses on its non-U.S. government fixed maturities.

Corporate Debt

To estimate expected credit losses for corporate debt securities, the Company's projected cash flows are primarily driven by assumptions regarding the severity of loss, probability of default and projected recovery rates. The Company's default and loss severity rates are based on credit rating, credit analysis and macroeconomic forecasts. At December 31, 2023 and 2022, the allowance for expected credit losses on corporate debt securities mainly related to loss severity where the forecasted recovery to amortized cost was uncertain.

CMBS

The Company's investments in CMBS are diversified and primarily rated AA or better. At December 31, 2023, CMBS had a weighted average estimated subordination percentage of 37% (2022: 38%). Based on discounted cash flows at December 31, 2023 and 2022, the current level of subordination is sufficient to cover the estimated loan losses on the underlying collateral of the CMBS.

Non-agency RMBS

To estimate expected credit losses for non-agency RMBS, the Company's projected cash flows incorporated underlying data from widely accepted third-party data sources along with certain internal assumptions and judgments regarding the future performance of the security. These assumptions included default, delinquency, loss severity and prepayment rates.

5. INVESTMENTS (CONTINUED)

At December 31, 2023, the fair value of the Company's non-agency RMBS was $153 million (2022: $134 million), consisting primarily of $34 million (2022: $39 million) of Prime and $100 million (2022: $76 million) of Alt-A, Non-qualified, and Home Equity MBS. At December 31, 2023 and 2022, the allowance for expected credit losses on non-agency RMBS related to loss severity where the forecasted recovery to amortized cost is uncertain.

ABS

The Company's investments in ABS consist mainly of CLO debt tranched securities ("CLO Debt") purchased primarily as new issues between 2018 and 2023. Substantially all of these new issues had credit ratings of AA or better. The Company utilizes a scenario-based approach to review its CLO Debt portfolio based on the current asset market price. The Company also reviews subordination levels of these securities to determine their ability to absorb credit losses of underlying collateral. If losses are forecast to be below the subordination level for a tranche held by the Company, the security is determined not to have a credit loss. At December 31, 2023 and 2022, the allowance for expected credit losses on ABS related to loss severity where the forecasted recovery to amortized cost is uncertain.

Municipals

Municipal securities are evaluated for expected credit losses primarily through qualitative assessments of the likelihood of credit losses using information such as severity of unrealized losses, credit ratings and price volatility. At December 31, 2023 and 2022, the allowance for expected credit losses on municipals related to loss severity where the forecasted recovery to amortized cost is uncertain.

5. INVESTMENTS (CONTINUED)

j) Restricted Assets

In order to support the Company's obligations in regulatory jurisdictions where it operates as a non-admitted carrier, the Company provides collateral in the form of assets held in trust and, to a lesser extent, letters of credit (refer to Note 10(c) '*Debt and Financing Arrangements*').

In addition, the Company operates in the Lloyd’s market through its corporate members, AXIS Corporate Capital UK Limited and AXIS Corporate Capital UK II Limited, which provide 70% and 30%, respectively of Syndicate 1686's capital support. Lloyd’s sets capital requirements for corporate members annually through the application of a capital model that is based on regulatory rules pursuant to Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking up and pursuit of business of Insurance and Reinsurance (Solvency II) ("Solvency II").

The capital provided to support underwriting, or Funds at Lloyd’s ("FAL"), may be satisfied by cash, certain investments and letters of credit provided by approved banks (refer to Note 12 *'Commitments and Contingencies'* and Note 22 '*Statutory Financial Information'*).

At December 31, 2023, collateral held in trust for third-party agreements of $2,598 million (2022: $2,491 million) included $550 million (2022: $539 million) of fixed maturities, and cash of $296 million (2022: $217 million) held on deposit to support the underwriting activities of Syndicate 1686.

The Company's restricted investments and cash primarily consist of high-quality fixed maturity and short-term investment securities.

The table below provides the fair values of the Company's restricted investments and cash:

At December 31,	2023	2022
Collateral in trust for inter-company agreements	**$ 614,089**	$ 790,449
Collateral for secured letter of credit facility	**423,522**	424,624
Funds at Lloyd's	**893,177**	748,573
Collateral in trust for third-party agreements	**2,597,633**	2,491,317
Securities on deposit or in trust with regulatory authorities	**772,472**	731,660
Total restricted investments and cash	**$ 5,300,893**	$ 5,186,623

k) Reverse Repurchase Agreements

At December 31, 2023, the Company held $12 million (2022: $nil) of reverse repurchase agreements. These loans are fully collateralized, are generally outstanding for a short period of time and are presented on a gross basis as part of cash and cash equivalents in the Company's consolidated balance sheets. The required collateral for these loans is either cash or U.S. Treasuries at a minimum rate of 102% of the loan principal. Upon maturity, the Company receives principal and interest income. The Company monitors the estimated fair value of the securities loaned and borrowed on a daily basis with additional collateral obtained as necessary throughout the duration of the transaction.

6. FAIR VALUE MEASUREMENTS

Fair Value Hierarchy

Fair value is defined as the price to sell an asset or transfer a liability (i.e., the "exit price") in an orderly transaction between market participants. U.S. GAAP prescribes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. The level in the hierarchy within which a given fair value measurement falls is determined based on the lowest level input that is significant to the measurement. The hierarchy is broken down into three levels as follows:

- Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

- Level 2 - Valuations based on quoted prices in active markets for similar assets or liabilities, quoted prices for identical assets or liabilities in inactive markets, or for which significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.

- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The unobservable inputs reflect the Company's judgments about assumptions that market participants might use.

The availability of observable inputs can vary from financial instrument to financial instrument and is affected by a wide variety of factors including, for example, the type of financial instrument, whether the financial instrument is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires significantly more judgment.

Accordingly, the degree of judgment exercised by management in determining fair value is greatest for financial instruments categorized as Level 3. In periods of market dislocation, the observability of prices and inputs may be reduced for many financial instruments. This may lead the Company to change the selection of valuation technique (from market to cash flow approach) or may cause the Company to use multiple valuation techniques to estimate the fair value of a financial instrument. This circumstance could cause an instrument to be reclassified between levels within the fair value hierarchy.

Valuation Techniques

The valuation techniques, including significant inputs and assumptions generally used to determine the fair values of the Company's financial instruments as well as the classification of the fair values of its financial instruments in the fair value hierarchy are described in detail below.

Fixed Maturities

At each valuation date, the Company uses the market approach valuation technique to estimate the fair value of its fixed maturities portfolio, where possible. The market approach includes, but is not limited to, prices obtained from third-party pricing services for identical or comparable securities and the use of "pricing matrix models" using observable market inputs such as yield curves, credit risks and spreads, measures of volatility, and prepayment speeds. Pricing from third-party pricing services is sourced from multiple vendors, where available, and the Company maintains a vendor hierarchy by asset type based on historical pricing experience and vendor expertise. Where prices are unavailable from pricing services, the Company obtains non-binding quotes from broker-dealers who are active in the corresponding markets. The valuation techniques including significant inputs and assumptions generally used to determine the fair values of the Company's fixed maturities by asset class as well as the classifications of the fair values of these securities in the fair value hierarchy are described in detail below.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

U.S. Government and Agency

U.S. government and agency securities consist primarily of bonds issued by the U.S. Treasury and mortgage pass-through agencies such as the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association. As the fair values of U.S. Treasury securities are based on unadjusted quoted market prices in active markets, the fair values of these securities are classified as Level 1. The fair values of U.S. government agency securities are determined using the spread above the risk-free yield curve. As the yields for the risk-free yield curve and the spreads are observable market inputs, the fair values of U.S. government agency securities are classified as Level 2.

Non-U.S. Government

Non-U.S. government securities include bonds issued by non-U.S. governments and their agencies along with supranational organizations (collectively also known as sovereign debt securities). The fair values of these securities are based on prices obtained from international indices or valuation models that include inputs such as interest rate yield curves, cross-currency basis index spreads and country credit spreads for structures similar to the sovereign bond in terms of issuer, maturity and seniority. As the significant inputs used to price these securities are observable market inputs, the fair values of non-U.S. government securities are classified as Level 2.

Corporate Debt

Corporate debt securities consist primarily of investment grade debt of a wide variety of corporate issuers and industries. The fair values of these securities are generally determined using the spread above the risk-free yield curve. These spreads are generally obtained from the new issue market, secondary trading and broker-dealer quotes. As the yields for the risk-free yield curve and the spreads are observable market inputs, the fair values of corporate debt securities are generally classified as Level 2. Where pricing is unavailable from pricing services, the Company obtains non-binding quotes from broker-dealers to estimate fair value. This is generally the case when there is a low volume of trading activity and current transactions are not orderly. In this event, the fair values of these securities are classified as Level 3.

Agency RMBS

Agency RMBS consist of bonds issued by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association. The fair values of these securities are priced using a mortgage pool specific model which uses daily inputs from the active to be announced market and the spread associated with each mortgage pool based on vintage. As the significant inputs used to price these securities are observable market inputs, the fair values of Agency RMBS are classified as Level 2.

CMBS

CMBS mainly include investment grade bonds originated by non-agencies. The fair values of these securities are determined using a pricing model which uses dealer quotes and other available trade information along with security level characteristics to determine deal specific spreads. As the significant inputs used to price these securities are observable market inputs, the fair values of CMBS are generally classified as Level 2. Where pricing is unavailable from pricing services, the Company obtains non-binding quotes from broker-dealers to estimate fair value. This is generally the case when there is a low volume of trading activity and current transactions are not orderly. In this event, the fair values of these securities are classified as Level 3.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

Non-agency RMBS

Non-agency RMBS mainly include investment grade bonds originated by non-agencies. The fair values of these securities are determined using an option adjusted spread model or other relevant models, which use inputs including available trade information or broker quotes, prepayment and default projections based on historical statistics of the underlying collateral and current market data. As the significant inputs used to price these securities are observable market inputs, the fair values of non-agency RMBS are generally classified as Level 2. Where pricing is unavailable from pricing services, the Company obtains non-binding quotes from broker-dealers to estimate fair value. This is generally the case when there is a low volume of trading activity and current transactions are not orderly. In this event, the fair values of these securities are classified as Level 3.

ABS

ABS mainly include investment grade bonds backed by pools of loans with a variety of underlying collateral, including auto loans, student loans, credit card receivables and collateralized loan obligations ("CLOs"), originated by a variety of financial institutions. The fair values of these securities are determined using a model which uses prepayment speeds and spreads sourced primarily from the new issue market. As the significant inputs used to price these securities are observable market inputs, the fair values of ABS are generally classified as Level 2. Where pricing is unavailable from pricing services, the Company obtains non-binding quotes from broker-dealers to estimate fair value. This is generally the case when there is a low volume of trading activity and current transactions are not orderly. In this event, the fair values of these securities are classified as Level 3.

Municipals

Municipals comprise revenue bonds and general obligation bonds issued by U.S. domiciled state and municipal entities. The fair values of these securities are determined using spreads obtained from the new issue market, trade prices and broker-dealers quotes. As the significant inputs used to price these securities are observable market inputs, the fair values of municipals are classified as Level 2.

Equity Securities

Equity securities include common stocks, preferred stocks, exchange-traded funds and bond mutual funds. As the fair values of common stocks and exchange-traded funds are based on unadjusted quoted market prices in active markets, the fair values of these securities are classified as Level 1. As the significant inputs used to price preferred stocks are observable market inputs, the fair value of these securities are classified as Level 2. As bond mutual funds have daily liquidity, the fair values of these securities are classified as Level 2.

Other Investments

The fair value of an indirect investment in CLO-Equities is estimated using an income approach valuation technique, specifically an externally developed discounted cash flow model due to the lack of observable and relevant trades in secondary markets. As the significant inputs used to price this security are unobservable, the fair value of the indirect investment in CLO-Equities is classified as Level 3.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

Other privately held investments include common shares, preferred shares, private company investment funds, investments in limited partnerships, convertible notes, convertible preferred shares, and a variable yield security. These investments are initially valued at cost, which approximates fair value. In subsequent measurement periods, the fair values of these investments are generally derived from one or a combination of valuation methodologies which consider factors including recent capital raises by the investee companies, comparable precedent transaction multiples, comparable publicly traded multiples, third-party valuations, discounted cash-flow models, and other techniques that consider the industry and development stage of each investee company. The fair value of the variable yield security is determined using an externally developed discounted cash flow model. In order to assess the reasonableness of the information received from investee companies, the Company maintains an understanding of current market conditions, historical results, and emerging trends that may impact the results of operations, financial condition or liquidity of these companies. In addition, the Company engages in regular communication with management at investee companies. As the significant inputs used to price these investments are unobservable, the fair values of other privately held investments are classified as Level 3. The fair values of private company investment funds are estimated using NAVs as advised by external fund managers or third-party administrators.

Short-term Investments

Short-term investments primarily comprise highly liquid securities with maturities greater than three months but less than one year from the date of purchase. These securities are typically not actively traded due to their approaching maturity, therefore their amortized cost approximates fair value. The fair values of short-term investments are classified as Level 2.

Derivative Instruments

Derivative instruments include foreign exchange forward contracts that are customized to the Company's economic hedging strategies and trade in the over-the-counter derivative market. The fair values of these derivatives are determined using a market approach valuation technique based on significant observable market inputs from third-party pricing vendors, non-binding broker-dealer quotes and/or recent trading activity. As the significant inputs used to price these derivatives are observable market inputs, the fair values of these derivatives are classified as Level 2.

Other underwriting-related derivatives include insurance and reinsurance contracts that are accounted for as derivatives. These derivative contracts are initially valued at cost which approximates fair value. In subsequent measurement periods, the fair values of these derivatives are determined using internally developed discounted cash flow models. As the significant inputs used to price these derivatives are unobservable, the fair values of these contracts are classified as Level 3.

Cash-Settled Awards

Cash-settled awards comprise restricted stock units that form part of the Company's compensation program. Although the fair values of these awards are determined using observable quoted market prices in active markets, the restricted stock units are not actively traded. As the significant inputs used to price these securities are observable market inputs, the fair values of these liabilities are classified as Level 2.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

The tables below present the financial instruments measured at fair value on a recurring basis for the periods indicated:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value based on NAV practical expedient	Total fair value
At December 31, 2023					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	$ 2,989,612	$ 17,916	$ —	$ —	$ 3,007,528
Non-U.S. government	—	723,959	—	—	723,959
Corporate debt	—	4,338,419	135,753	—	4,474,172
Agency RMBS	—	1,634,661	—	—	1,634,661
CMBS	—	839,696	—	—	839,696
Non-agency RMBS	—	153,396	—	—	153,396
ABS	—	1,242,971	—	—	1,242,971
Municipals	—	158,359	—	—	158,359
	2,989,612	9,109,377	135,753	—	12,234,742
Equity securities					
Common stocks	2,546	—	—	—	2,546
Preferred stocks	1	5,600	—	—	5,601
Exchange-traded funds	287,275	—	—	—	287,275
Bond mutual funds	—	293,089	—	—	293,089
	289,822	298,689	—	—	588,511
Other investments					
Multi-strategy funds	—	—	—	24,619	24,619
Direct lending funds	—	—	—	192,270	192,270
Private equity funds	—	—	—	301,712	301,712
Real estate funds	—	—	—	317,325	317,325
CLO-Equities	—	—	5,300	—	5,300
Other privately held investments	—	—	87,289	20,898	108,187
	—	—	92,589	856,824	949,413
Short-term investments	—	17,216	—	—	17,216
Other assets					
Derivative instruments (refer to Note 7)	—	4,424	—	—	4,424
Total Assets	$ 3,279,434	$ 9,429,706	$ 228,342	$ 856,824	$ 13,794,306
Liabilities					
Derivative instruments (refer to Note 7)	$ —	$ 10,165	$ —	$ —	$ 10,165
Cash-settled awards (refer to Note 17)	—	—	—	—	—
Total Liabilities	$ —	$ 10,165	$ —	$ —	$ 10,165

6. FAIR VALUE MEASUREMENTS (CONTINUED)

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value based on NAV practical expedient	Total fair value
At December 31, 2022					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	$ 2,600,636	$ 38,694	$ —	$ —	$ 2,639,330
Non-U.S. government	—	562,029	—	—	562,029
Corporate debt	—	4,136,452	119,104	—	4,255,556
Agency RMBS	—	1,202,785	—	—	1,202,785
CMBS	—	947,778	—	—	947,778
Non-agency RMBS	—	133,534	—	—	133,534
ABS	—	1,429,527	—	—	1,429,527
Municipals	—	156,355	—	—	156,355
	2,600,636	8,607,154	119,104	—	11,326,894
Equity securities					
Common stocks	7,473	—	—	—	7,473
Preferred stocks	72	—	—	—	72
Exchange-traded funds	269,806	—	—	—	269,806
Bond mutual funds	—	207,902	—	—	207,902
	277,351	207,902	—	—	485,253
Other investments					
Multi-strategy funds	—	—	—	32,616	32,616
Direct lending funds	—	—	—	258,626	258,626
Private equity funds	—	—	—	265,836	265,836
Real estate funds	—	—	—	298,499	298,499
CLO-Equities	—	—	5,016	—	5,016
Other privately held investments	—	—	136,158	—	136,158
	—	—	141,174	855,577	996,751
Short-term investments	—	70,310	—	—	70,310
Other assets					
Derivative instruments (refer to Note 7)	—	37,682	—	—	37,682
Total Assets	$ 2,877,987	$ 8,923,048	$ 260,278	$ 855,577	$ 12,916,890
Liabilities					
Derivative instruments (refer to Note 7)	$ —	$ 703	$ —	$ —	$ 703
Cash-settled awards (refer to Note 17)	—	4,792	—	—	4,792
Total Liabilities	$ —	$ 5,495	$ —	$ —	$ 5,495

6. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table quantifies the significant unobservable inputs used in estimating fair values at December 31, 2023 of investments classified as Level 3 in the fair value hierarchy:

	Asset fair value		Valuation technique	Unobservable input	Amount /Range	Weighted average
Other investments - CLO-Equities	$	5,300	Discounted cash flow	Default rate	4.5%	4.5%
				Loss severity rate	50.0%	50.0%
				Collateral spread	3.0%	3.0%
				Estimated maturity date	4 years	4 years
Other investments - Other privately held investments	$	18,940	Discounted cash flow	Discount rate	6.0%	6.0%
				Default rate	0.5%	0.5%
				Loss absorption yield	1.0%	1.0%
				Estimated maturity date	0 - 2 years	1 year

Note: Fixed maturities of $136 million that are classified as Level 3 are excluded from the above table as these securities are priced using broker-dealer quotes. In addition, other privately held investments of $68 million that are classified as Level 3 are excluded from the above table as these investments are priced using capital statements received from investee companies.

Other Investments - CLO-Equities

The CLO-Equities market continues to be relatively inactive with only a small number of transactions being observed, particularly related to transactions involving CLO-Equities held by the Company. Accordingly, the fair value of the Company's indirect investment in CLO-Equities is determined using a discounted cash flow model prepared by an external investment manager.

The default and loss severity rates are the most judgmental unobservable market inputs to the discounted cash flow model to which the valuation of the Company's indirect investment in CLO-Equities is most sensitive. A significant increase (decrease) in either of these significant inputs in isolation would result in a lower (higher) fair value estimate for the investment in CLO-Equities and, in general, a change in default rate assumptions would be accompanied by a directionally similar change in loss severity rate assumptions. Collateral spreads and estimated maturity dates are less judgmental inputs as they are based on the historical average of actual spreads and the weighted average life of the current underlying portfolios, respectively. A significant increase (decrease) in either of these significant inputs in isolation would result in a higher (lower) fair value estimate for the investment in CLO-Equities. In general, these inputs have no significant interrelationship with each other or with default and loss severity rates.

On a quarterly basis, the Company's valuation process for its indirect investment in CLO-Equities includes a review of the underlying cash flows and key assumptions used in the discounted cash flow model. The above significant unobservable inputs are reviewed and updated based on information obtained from secondary markets, including information received from the managers of the Company's CLO-Equities investment. In order to assess the reasonableness of the inputs the Company uses in the discounted cash flow model, the Company maintains an understanding of current market conditions, historical results, and emerging trends that may impact future cash flows. In addition, the assumptions the Company uses in its models are updated through regular communication with industry participants and ongoing monitoring of the deals in which the Company participates.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

Other Investments - Other Privately Held Securities

Other privately held securities are initially valued at cost which approximates fair value. In subsequent measurement periods, the fair value of the variable yield security was determined using an externally developed discounted cash flow model. This model includes inputs that are specific to that investment. The inputs used in the fair value measurement include an appropriate discount rate, default rate, loss absorption rate and estimated maturity date. The selection of an appropriate discount rate is judgmental and is the most significant unobservable input used in the valuation of this investment. A significant increase (decrease) in this input in isolation could result in significantly lower (higher) fair value measurement for this investment. In order to assess the reasonableness of the inputs the Company uses in the discounted cash flow model, the Company maintains an understanding of current market conditions, historical results, as well as investee specific information that may impact future cash flows.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents changes in Level 3 for financial instruments measured at fair value on a recurring basis:

	Opening balance	Transfers into Level 3	Transfers out of Level 3	Included in net income[(1)]	Included in OCI [(2)]	Purchases	Sales	Settlements/ distributions	Closing balance	Change in unrealized gains/(losses) [(3)]
Year ended December 31, 2023										
Fixed maturities, available for sale										
Corporate debt	**$ 119,104**	**$ —**	**$ —**	**$ (8,527)**	**$ 2,438**	**$ 38,173**	**$ (770)**	**$ (14,665)**	**$ 135,753**	**$ —**
	119,104	**—**	**—**	**(8,527)**	**2,438**	**38,173**	**(770)**	**(14,665)**	**135,753**	**—**
Other investments										
CLO-Equities	**5,016**	**—**	**—**	**2,395**	**—**	**—**	**—**	**(2,111)**	**5,300**	**2,395**
Other privately held investments	**136,158**	**—**	**(25,510)**	**(9,904)**	**—**	**21,077**	**(34,532)**	**—**	**87,289**	**(17,986)**
	141,174	**—**	**(25,510)**	**(7,509)**	**—**	**21,077**	**(34,532)**	**(2,111)**	**92,589**	**(15,591)**
Total assets	**$ 260,278**	**$ —**	**$ (25,510)**	**$ (16,036)**	**$ 2,438**	**$ 59,250**	**$ (35,302)**	**$ (16,776)**	**$ 228,342**	**$ (15,591)**
Other liabilities										
Derivative instruments	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Total liabilities	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Year ended December 31, 2022										
Fixed maturities, available for sale										
Corporate debt	$ 42,894	$ —	$ —	$ (104)	$ (9,014)	$ 90,130	$ —	$ (4,802)	$ 119,104	$ —
	42,894	—	—	(104)	(9,014)	90,130	—	(4,802)	119,104	—
Other investments										
CLO-Equities	5,910	—	—	2,611	—	—	—	(3,505)	5,016	2,611
Other privately held investments	104,521	—	—	13,646	—	19,991	—	(2,000)	136,158	13,646
	110,431	—	—	16,257	—	19,991	—	(5,505)	141,174	16,257
Total assets	$ 153,325	$ —	$ —	$ 16,153	$ (9,014)	$ 110,121	$ —	$ (10,307)	$ 260,278	$ 16,257
Other liabilities										
Derivative instruments	$ 5,630	$ —	$ —	$ (3,542)	$ —	$ —	$ —	$ (2,088)	$ —	$ —
Total liabilities	$ 5,630	$ —	$ —	$ (3,542)	$ —	$ —	$ —	$ (2,088)	$ —	$ —

(1) Realized gains (losses) on fixed maturities and realized and unrealized gains (losses) on other assets and other liabilities included in net income are included in net investment gains (losses). Realized and unrealized gains (losses) on other investments included in net income are included in net investment income.
(2) Unrealized gains (losses) on fixed maturities are included in other comprehensive income ("OCI").
(3) Change in unrealized gains (losses) relating to assets and liabilities held at the reporting date.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

Transfers into Level 3 from Level 2

There were no transfers into Level 3 from Level 2 during 2023 and 2022.

Transfers out of Level 3 into Level 2

There were no transfers out of Level 3 into Level 2 during 2023 and 2022.

Other Transfers out of Level 3

During 2023, two private company investment funds included in other privately held investments in the consolidated balance sheets were transferred from Level 3 to the NAV practical expedient. In addition, the Company's investment in Monarch Point Re was transferred from Level 3 to Equity method investments (refer to Note 5(f) '*Equity Method Investments*', Note 8 *'Reserve for Losses and Loss Expenses'* and Note 18 *'Related Party Transactions'*).

Measuring the Fair Value of Other Investments Using Net Asset Valuations

The fair values of multi-strategy funds, direct lending funds, private equity funds, real estate funds and private company investment funds are estimated using net asset valuations ("NAVs") as advised by external fund managers or third-party administrators. For these funds, NAVs are based on the manager's or administrator's valuation of the underlying holdings in accordance with the fund's governing documents and in accordance with U.S. GAAP.

For multi-strategy funds, direct lending funds, private equity funds, real estate funds and private company investment funds, valuation statements are typically released on a reporting lag. Therefore, the Company estimates the fair value of these funds by starting with the most recent fund valuations and adjusting for capital calls, redemptions, drawdowns and distributions. Return estimates are not available from the relevant fund managers for these funds, therefore the Company typically has a reporting lag in its fair value measurements of these funds. At December 31, 2023 and 2022, all funds measured at fair value using NAVs are reported generally on a one quarter lag.

The Company often does not have access to financial information relating to the underlying securities held within the funds, therefore, management is unable to corroborate the fair values placed on the securities underlying the asset valuations provided by fund managers or fund administrators. In order to assess the reasonableness of the NAVs, the Company performs a number of monitoring procedures on a quarterly basis, to assess the quality of the information provided by fund managers and fund administrators. These procedures include, but are not limited to, regular review and discussion of each fund's performance with its manager, regular evaluation of fund performance against applicable benchmarks and the backtesting of the Company's fair value estimates against subsequently received NAVs. Backtesting involves comparing the Company's previously reported fair values for each fund against NAVs per audited financial statements (for year-end values) and final NAVs from fund managers and fund administrators (for interim values).

The fair values of multi-strategy funds, direct lending funds, private equity funds, real estate funds and private company investment funds, are measured using the NAV practical expedient, therefore the fair values of these funds have not been categorized within the fair value hierarchy.

6. FAIR VALUE MEASUREMENTS (CONTINUED)

Financial Instruments Disclosed, But Not Carried, at Fair Value

The fair value of financial instruments accounting guidance also applies to financial instruments disclosed, but not carried, at fair value, except for certain financial instruments, including insurance contracts.

At December 31, 2023, the carrying values of cash and cash equivalents including restricted amounts, accrued investment income, receivable for investments sold, certain other assets, payable for investments purchased and certain other liabilities approximated fair values due to their short maturities. As these financial instruments are not actively traded, their fair values are classified as Level 2.

At December 31, 2023, the Company's fixed maturities, held to maturity, were recorded at amortized cost with a carrying value of $686 million (2022: $698 million) and a fair value of $676 million (2022: $675 million). The fair values of these securities are determined using a model which uses prepayment speeds and spreads sourced primarily from the new issue market. As the significant inputs used to price these securities are observable market inputs, their fair values are classified as Level 2.

At December 31, 2023, the carrying value of mortgage loans, held for investment, approximated fair value. The fair values of mortgage loans are primarily determined by estimating expected future cash flows and discounting them using current interest rates for similar mortgage loans with similar credit risk or are determined from pricing for similar loans. As mortgage loans are not actively traded, their fair values are classified as Level 3.

At December 31, 2023, the Company's debt was recorded at amortized cost with a carrying value of $1,314 million (2022: $1,312 million) and a fair value of $1,198 million (2022: $1,160 million). The fair value of the Company's debt is based on prices obtained from a third-party pricing service and is determined using the spread above the risk-free yield curve. These spreads are generally obtained from the new issue market, secondary trading and broker-dealer quotes. As the yields for the risk-free yield curve and the spreads are observable market inputs, the fair value of this debt is classified as Level 2.

At December 31, 2023, Federal Home Loan Bank advances were recorded at amortized cost with a carrying value of $86 million (2022: $81 million) and a fair value of $86 million (2022: $81 million). As these advances are not actively traded, their fair values are classified as Level 2.

7. DERIVATIVE INSTRUMENTS

The following table provides the balance sheet classifications of derivatives recorded at fair value:

	December 31, 2023			December 31, 2022		
	Derivative notional amount	Derivative asset fair value(1)	Derivative liability fair value(1)	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**	$ 54,076	$ 81	$ 559
Relating to underwriting portfolio:						
Foreign exchange forward contracts	**1,347,559**	**4,358**	**9,891**	1,441,273	37,601	144
Total derivatives		**$ 4,424**	**$ 10,165**		$ 37,682	$ 703

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

The notional amounts of derivative contracts represent the basis on which amounts paid or received are calculated and are presented in the above table to quantify the volume of the Company's derivative activities. Notional amounts are not reflective of credit risk.

None of the Company's derivative instruments are designated as hedges.

Offsetting Assets and Liabilities

The Company's derivative instruments are generally traded under International Swaps and Derivatives Association master netting agreements which establish terms that apply to all transactions. In the event of a bankruptcy or other stipulated event, master netting agreements provide that individual positions be replaced with a new amount, usually referred to as the termination amount, determined by taking into account market prices and converting into a single currency. Effectively, this contractual close-out netting reduces credit exposure from gross to net exposure.

The following table provides a reconciliation of gross derivative assets and liabilities to the net amounts presented in the consolidated balance sheets, with the difference being attributable to the impact of master netting agreements:

	December 31, 2023			December 31, 2022		
	Gross amounts	Gross amounts offset	Net amounts(1)	Gross amounts	Gross amounts offset	Net amounts(1)
Derivative assets	**$ 8,708**	**$ (4,284)**	**$ 4,424**	$ 41,762	$ (4,080)	$ 37,682
Derivative liabilities	**$ 14,449**	**$ (4,284)**	**$ 10,165**	$ 4,783	$ (4,080)	$ 703

(1) Net asset and liability derivatives are classified within other assets and other liabilities in the consolidated balance sheets.

Refer to Note 5 *'Investments'* for information on reverse repurchase agreements.

a) Relating to Investment Portfolio

Foreign Currency Risk

The Company's investment portfolio is exposed to foreign currency risk. Therefore, the fair values of its investments are partially influenced by changes in foreign exchange rates. The Company may enter into foreign exchange forward contracts to manage the effect of this foreign currency risk. These foreign currency hedging activities are not designated as specific hedges for financial reporting purposes.

7. DERIVATIVE INSTRUMENTS (CONTINUED)

b) Relating to Underwriting Portfolio

Foreign Currency Risk

The Company's insurance and reinsurance subsidiaries and branches operate in various countries. Some of its business is written in currencies other than the U.S. dollar, therefore the underwriting portfolio is exposed to significant foreign currency risk. The Company manages foreign currency risk by seeking to match its foreign-denominated net liabilities under insurance and reinsurance contracts with cash and investments that are denominated in the same currencies. The Company uses derivative instruments, specifically, forward contracts to economically hedge foreign currency exposures.

Other Underwriting-related Risks

The Company enters into insurance and reinsurance contracts that are accounted for as derivatives. These insurance or reinsurance contracts provide indemnification to an insured or cedant as a result of a change in a variable as opposed to an identifiable insurable event. The Company considers these contracts to be part of its underwriting operations.

The following table provides the total unrealized and realized gains (losses) recognized in net income (loss) for derivatives not designated as hedges:

	Consolidated statement of operations line item that includes gain (loss) recognized in net income (loss)	Amount of gain (loss) recognized in net income (loss)		
		2023	**2022**	**2021**
Relating to investment portfolio:				
Foreign exchange forward contracts	Net investment gains (losses)	**$ (1,456)**	$ 7,656	$ 4,346
Relating to underwriting portfolio:				
Foreign exchange forward contracts	Foreign exchange (losses) gains	**8,121**	(31,609)	(50,738)
Other underwriting-related contracts	Other insurance related income (loss)	**—**	3,542	2,742
Total		**$ 6,665**	$ (20,411)	$ (43,650)

8. RESERVE FOR LOSSES AND LOSS EXPENSES

Reserving Methodology

Sources of Information

The Company's loss reserving process begins with the collection and analysis of paid and incurred claim data for each of the Company's segments. The segment data is disaggregated by line of business and further disaggregated by underwriting year and accident year. Underwriting year or accident year information is used to analyze the Company's business and to estimate reserves for losses and loss expenses. Lines of business are reviewed to ensure that the underlying contracts have homogeneous loss development characteristics, while remaining large enough to make the estimation of trends credible. The Company's lines of business are reviewed on a regular basis and adjusted over time as the Company's business evolves. The paid and incurred claim data serves as a key input to many of the methods employed by the Company's actuaries.

Actuarial Analysis

Multiple actuarial methods are available to estimate ultimate losses. Each method has its own assumptions and its own advantages and disadvantages, with no single estimation method being better than the others in all situations and no one set of assumption variables being meaningful for all lines of business. The relative strengths and weaknesses of the particular estimation methods when applied to a particular group of claims can also change over time.

The following is a brief description of the reserve estimation methods commonly employed by the Company's actuaries including a discussion of their particular strengths and weaknesses:

- *Expected Loss Ratio Method ("ELR Method")*: This method estimates ultimate losses for an accident year or underwriting year by applying an expected loss ratio ("ELR") to the earned or written premium for that year. Generally, expected loss ratios are based on one or more of (a) an analysis of historical loss experience to date, (b) pricing information and (c) industry data, adjusted as appropriate, to reflect changes in rates, loss and exposure trends, and terms and conditions. This method is insensitive to actual incurred losses for the accident year or underwriting year in question and is, therefore, often useful in the early stages of development when very few losses have been incurred. Conversely, the lack of sensitivity to incurred/paid losses for the accident year or underwriting year in question means that this method is usually inappropriate in later stages of an accident year or underwriting year's development.

- *Loss Development Method (also referred to as the "Chain Ladder Method" or "Link Ratio Method")*: This method assumes that the losses incurred/paid for each accident year or underwriting year at a particular development stage follow a relatively similar pattern. It assumes that on average, every accident year or underwriting year will display the same percentage of ultimate losses incurred/paid at the same point in time after the inception of that year. The percentages incurred/paid are established for each development stage (e.g., 12 months, 24 months, etc.) after examining averages from historical loss development data and/or, in limited instances, external industry benchmark information. Ultimate losses are then estimated by multiplying the actual incurred/paid losses by the reciprocal of the established incurred/paid percentage. The strengths of this method are that it reacts to loss emergence/payments and that it makes full use of historical claim emergence/payment experience. However, this method has weaknesses when the underlying assumption of stable loss development/payment patterns is not valid. This could be the consequence of changes in business mix, claim inflation trends or claim reporting practices and/or the presence of large claims, among other things. Furthermore, this method tends to produce volatile estimates of ultimate losses where there is volatility in the underlying incurred/paid patterns. In particular, where the expected percentage of incurred/paid losses is low, small deviations between actual and expected claims can lead to very volatile estimates of ultimate losses. As a result, this method is often unsuitable at early development stages for an accident year or underwriting year.

- *Bornhuetter-Ferguson Method ("BF Method")*: This method can be seen as a combination of the ELR and Loss Development Methods, under which the Loss Development Method is given progressively more weight as an accident year or underwriting year matures. The main advantage of the BF Method is that it provides a more stable estimate of ultimate losses than the Loss Development Method at earlier stages of development, while remaining more responsive to emerging loss development than the ELR Method. In addition, the BF Method allows for the incorporation of external

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

market information through the use of expected loss ratios, whereas the Loss Development Method does not incorporate such information.

As part of the loss reserving process, the Company's actuaries employ the estimation method(s) that they believe will produce the most reliable estimate of ultimate losses, at that particular evaluation date, for each line of business and accident year or underwriting year combination. Often, this is a blend (i.e., weighted average) of the results of two or more appropriate actuarial methods.

These ultimate loss estimates are generally utilized to evaluate the adequacy of ultimate loss estimates for previous accident or underwriting years, established in the prior reporting period. For the initial estimate of the current accident or underwriting year, the available claim data is typically insufficient to produce a reliable estimate of ultimate losses. As a result, initial estimates for an accident or underwriting year are generally based on the ELR Method for longer tailed lines and a BF Method for shorter tailed lines.

The initial ELR for each line of business is established by the Company's actuaries at the start of the year as part of the planning process, taking into consideration prior accident years’ or underwriting years' experience and industry benchmarks, adjusted after considering factors such as loss and exposure trends, rate differences, changes in contract terms and conditions, business mix changes and other known differences between the current and prior accident or underwriting years. The initial expected loss ratios for a given accident or underwriting year may be modified over time if the underlying assumptions, such as loss development or premium rate changes, differ from the original assumptions.

Key Actuarial Assumptions

The use of the above actuarial methods requires the Company to make certain explicit assumptions, the most significant of which are expected loss ratios and loss development patterns and the Company relies on historical loss experience in establishing these assumptions. In establishing expected loss ratios for the insurance segment, consideration is given to a number of other factors, including exposure trends, rate adequacy on new and renewal business, ceded reinsurance costs, changes in claims emergence and the Company's underwriters’ view of terms and conditions in the market environment. For the reinsurance segment, expected loss ratios are based on a contract-by-contract review, which considers information provided by clients together with estimates provided by the Company's underwriters and actuaries about the impact of changes in pricing, terms and conditions and coverage. Market experience for some lines of business as compiled and analyzed by an independent actuarial firm is also considered, as appropriate.

Reserving for Catastrophic Events

The Company cannot estimate losses from widespread catastrophic events, such as hurricanes and earthquakes, using the traditional actuarial methods described above. The magnitude and complexity of losses associated with 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. As a result, actual losses for these events may ultimately differ materially from current estimates.

Net reserves for losses and loss expenses related to catastrophes represent the Company's best estimate of losses and loss expenses that have been incurred at December 31, 2023. The determination of these net reserves for losses and loss expenses is estimated by management after a catastrophe occurs by completing an in-depth analysis of individual contracts which may potentially have been impacted by the catastrophic event. This in-depth analysis may rely on several sources of information including:

- estimates of the size of insured industry losses from the catastrophic event and the Company's corresponding market share;
- a review of the Company's portfolio of contracts to identify those contracts which may be exposed to the catastrophic event;

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- a review of modeled loss estimates based on information previously reported by customers and brokers, including exposure data obtained during the underwriting process;
- a review of the coverage provided by the Company's ceded reinsurance;
- discussions of the impact of the event with customers and brokers; and
- catastrophe bulletins published by various independent statistical reporting agencies.

A blend of these information sources is generally used to arrive at aggregate estimates of the ultimate losses arising from these catastrophic events.

While the Company believes its 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, the Company monitors 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 the Company's current estimates.

Selection of Reported Reserves – Management's Best Estimate

The Company's loss reserving process involves the collaboration of its underwriting, claims, actuarial, ceded reinsurance and finance departments, including multiple committee meetings and culminates with the approval of a single point best estimate by the Company's Group Reserving Committee, which comprises senior management. In selecting this best estimate, management considers actuarial estimates and applies informed judgment regarding qualitative factors that may not be fully captured in these actuarial estimates. Such factors include, but are not limited to, the timing of the emergence of claims, volume and complexity of claims, social and judicial trends, potential severity of individual claims and the extent of Company historical loss data versus industry information. While these qualitative factors are considered in arriving at the point estimate, no specific provisions for qualitative factors are established.

Reserve for Losses and Loss Expenses

Reserve for losses and loss expenses comprise the following:

At December 31,	2023	2022
Reserve for reported losses and loss expenses	**$ 5,559,261**	$ 5,555,865
Reserve for losses incurred but not reported	**10,874,757**	9,612,998
Reserve for losses and loss expenses	**$ 16,434,018**	$ 15,168,863

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reserve Roll-forward

The following table presents a reconciliation of the Company's beginning and ending gross reserves for losses and loss expenses and net reserves for unpaid losses and loss expenses:

Year ended December 31,	2023	2022	2021
Gross reserve for losses and loss expenses, beginning of year	**$ 15,168,863**	$ 14,653,094	$ 13,926,766
Less reinsurance recoverable on unpaid losses and loss expenses, beginning of year	**(5,831,172)**	(5,017,611)	(4,496,641)
Net reserve for unpaid losses and loss expenses, beginning of year	**9,337,691**	9,635,483	9,430,125
Net incurred losses and loss expenses related to:			
Current year	**2,981,220**	3,267,943	3,041,193
Prior years	**411,882**	(25,533)	(32,410)
	3,393,102	3,242,410	3,008,783
Net paid losses and loss expenses related to:			
Current year	**(488,016)**	(457,857)	(490,011)
Prior years	**(2,185,588)**	(2,397,213)	(2,274,240)
	(2,673,604)	(2,855,070)	(2,764,251)
Foreign exchange and other	**53,746**	(685,132)	(39,174)
Net reserve for unpaid losses and loss expenses, end of year	**10,110,935**	9,337,691	9,635,483
Reinsurance recoverable on unpaid losses and loss expenses, end of year	**6,323,083**	5,831,172	5,017,611
Gross reserve for losses and loss expenses, end of year	**$ 16,434,018**	$ 15,168,863	$ 14,653,094

The Company writes business with loss experience generally characterized as low frequency and high severity in nature, which can result in volatility in its financial results. During 2023, 2022 and 2021, the Company recognized catastrophe and weather-related losses, net of reinstatement premiums, of $138 million, $403 million and $443 million.

On September 22, 2023, the Company entered into a retrocession reinsurance agreement with a third-party reinsurer which was deemed to have met the established criteria for retroactive reinsurance accounting. At December 31, 2023, foreign exchange and other included an increase in reinsurance recoverable on unpaid losses of $74 million related to this transaction (refer to Note 5(f) '*Equity Method Investments*', Note 6 *'Fair Value Measurements'* and Note 18 *'Related Party Transactions'*).

On December 9, 2022, the Company entered into loss portfolio transfer reinsurance agreements with a third-party reinsurer which were deemed to have met the established criteria for retroactive reinsurance accounting. At December 31, 2022, foreign exchange and other included an increase in reinsurance recoverable on unpaid losses of $422 million related to this transaction.

At December 31, 2021, foreign exchange and other included a decrease in reinsurance recoverable on unpaid losses of $49 million related to the Reinsurance to Close of the 2018 year of account of Syndicate 2007.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Estimates for Catastrophe 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 COVID-19 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.

Prior Year Reserve Development

The Company's net favorable (adverse) prior year reserve development arises from changes to estimates for losses and loss expenses related to loss events that occurred in previous calendar years. The following table presents net prior year reserve development by segment:

	Favorable (Adverse)		
	Insurance	Reinsurance	Total
Year ended December 31, 2023	**$ (176,353)**	**$ (235,529)**	**$ (411,882)**
Year ended December 31, 2022	$ 16,350	$ 9,183	$ 25,533
Year ended December 31, 2021	$ 18,360	$ 14,049	$ 32,410

The following sections provide further details on net prior year reserve development by segment, line of business and accident year.

Insurance Segment:

	Favorable (Adverse)		
Years ended December 31,	**2023**	**2022**	**2021**
Property	**$ 16,195**	$ 52,512	$ 71,032
Accident and health	**(10,236)**	(12,856)	15,844
Marine and aviation	**26,977**	27,927	42,535
Cyber	**35,579**	8,416	(7,329)
Professional lines	**(41,243)**	(29,093)	(71,258)
Credit and political risk	**31,691**	24,361	10,363
Liability	**(235,316)**	(54,917)	(42,827)
Total	**$ (176,353)**	$ 16,350	$ 18,360

In 2023, we recognized $176 million of net adverse prior year reserve development, the principal components of which were:

- $235 million of net adverse prior year reserve development on liability business primarily due to reserve strengthening within the U.S. primary casualty book of business mainly related to the 2022 and older accident years and U.S. programs books of business mainly related to the 2017 through 2022 accident years. The reserve strengthening was attributable to updated trend assumptions, emerging development patterns and new industry data reflecting the impact of current economic and social inflation trends in the U.S. casualty market.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- $41 million of net adverse prior year reserve development on professional lines business primarily due to reserve strengthening within the U.S. financial institutions, U.S. commercial management solutions, U.S. design professional and environmental, and international books of business related to 2019 and older accident years, and increases in loss estimates attributable to specific large claims within the international book of business related to 2012 and older accident years.

- $10 million of net adverse prior year development on accident and health business primarily due to reserve strengthening within the international book of business mainly related to the 2021 and 2022 accident years.

- $36 million of net favorable prior year reserve development on cyber business primarily due to better than expected loss emergence related to most accident years, partially offset by increases in loss estimates attributable to specific large claims related to the 2020 accident year.

- $32 million of net favorable prior year reserve development on credit and political risk business primarily due to a decrease in the loss estimate attributable to a specific large claim related to the 2020 accident year and better than expected loss emergence related to several accident years.

- $27 million of net favorable prior year reserve development on marine and aviation business primarily due to better than expected loss emergence attributable to the marine cargo and aviation books of business related to several accident years and better than expected loss emergence attributable to several catastrophe events.

- $16 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence mainly related to the 2017 through 2019 accident years and better than expected loss emergence attributable to 2022 catastrophe events, partially offset by increases in loss estimates attributable to two specific large claims within the E&S book of business related to the 2016 and 2022 accident years.

In 2022, we recognized $16 million of net favorable prior year reserve development, the principal components of which were:

- $53 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence attributable to 2018 and 2020 catastrophe events and decreases in loss estimates attributable to specific large claims related to 2012 and older accident years.

- $28 million of net favorable prior year reserve development on marine and aviation business primarily due to better than expected loss emergence attributable to the marine cargo and specie, and marine offshore energy books of business mainly related to the 2018, 2019 and 2021 accident years, and better than expected loss emergence attributable to aviation business mainly related to the 2021 accident year.

- $24 million of net favorable prior year reserve development on credit and political risk business primarily due to better than expected loss emergence mainly related to the 2017 through 2021 accident years.

- $8 million of net favorable prior year reserve development on cyber business primarily due to better than expected loss emergence mainly related to 2020 and older accident years, partially offset by reserve strengthening related to the 2021 accident year.

- $55 million of net adverse prior year reserve development on liability business primarily due to reserve strengthening within the U.S. programs book of business mainly related to the 2016 through 2021 accident years, and the U.S. primary casualty book of business mainly related to the 2015 through 2018 and the 2021 accident years.

- $29 million of net adverse prior year reserve development on professional lines business primarily due to reserve strengthening within the U.S. commercial management solutions book of business mainly related to the 2015, 2018 and 2019 accident years.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- $13 million of net adverse prior year development on accident and health business primarily due to reserve strengthening mainly related to the 2019 through 2021 accident years.

In 2021, we recognized $18 million of net favorable prior year reserve development, the principal components of which were:

- $71 million of net favorable prior year reserve development on property business primarily due to decreases in loss estimates attributable to specific large claims related to the 2011 and 2012 accident years, and better than expected loss emergence attributable to 2018 to 2020 catastrophe events, and the global property book of business related to the 2017 through 2019 accident years.

- $43 million of net favorable prior year reserve development on marine and aviation business primarily due to better than expected loss emergence attributable to marine cargo, marine offshore energy and marine specie books of business mainly related to the 2017, 2018 and 2020 accident years, decreases in loss estimates attributable to specific large marine claims related to the 2012 accident year, and better than expected loss emergence attributable to aviation business mainly related to the 2020 accident year.

- $16 million of net favorable prior year reserve development on accident and health business primarily due to better than expected loss emergence related to the 2019 and 2020 accident years.

- $10 million of net favorable prior year reserve development on credit and political risk business primarily due to better than expected loss emergence mainly related to the 2018 and 2019 accident years.

- $71 million of net adverse prior year reserve development on professional lines business primarily due to reserve strengthening within run-off lines of business mainly related to the 2016 through 2019 accident years and the U.S. commercial management solutions book of business mainly related to the 2017 and 2019 accident years.

- $43 million of net adverse prior year reserve development on liability business primarily due to reserve strengthening within the program book of business mainly related to the 2018 and 2019 accident years.

- $7 million of net adverse prior year reserve development on cyber business primarily due to reserve strengthening within the global cyber and technology book of business mainly related to the 2019 accident year.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance Segment:

	Favorable (Adverse)		
Years ended December 31,	**2023**	**2022**	**2021**
Accident and health	**$ 29,947**	$ 14,199	$ 5,861
Agriculture	**10,781**	11,703	423
Marine and aviation	**12,595**	2,597	(10,767)
Professional lines	**(92,181)**	(54,820)	(23,718)
Credit and surety	**8,306**	43,567	3,436
Motor	**(9,653)**	18,161	43,968
Liability	**(262,114)**	(58,148)	(17,919)
Run-off lines			
Catastrophe	**46,297**	(504)	(36)
Property	**15,225**	42,523	17,651
Engineering	**5,268**	(10,095)	(4,850)
Total run-off lines	**66,790**	31,924	12,765
Total	**$ (235,529)**	$ 9,183	$ 14,049

In 2023, we recognized $236 million of net adverse prior year reserve development, the principal components of which were:

- $262 million of net adverse prior year reserve development on liability business primarily due to reserve strengthening within the U.S. casualty and U.S. multiline/regional books of business related to all accident years. The reserve strengthening was attributable to updated trend assumptions, emerging development patterns and new industry data reflecting the impact of current economic and social inflation trends in the U.S. casualty market.
- $92 million of net adverse prior year reserve development on professional lines business primarily due to reserve strengthening within the U.S. proportional book of business mainly related to the accident years 2019 and older accident years, partially offset by better than expected loss emergence mainly related to the 2021 and 2022 accident years.
- $10 million of net adverse prior year reserve development on motor business primarily due to reserve strengthening to reflect increased estimates of future loss trend due to inflation and reserve strengthening attributable to the proportional book of business mainly related to the 2018 through 2022 accident years.
- $30 million of net favorable prior year reserve development on accident and health business primarily due to better than expected loss emergence mainly related to the 2018 through 2021 accident years.
- $13 million of net favorable prior year reserve development on marine and aviation business primarily due to better than expected loss emergence mainly related to the 2021 and 2022 accident years.
- $11 million of net favorable prior year reserve development on agriculture business primarily due to better than expected loss emergence mainly related to the 2022 accident year.
- $8 million of net favorable prior year reserve development on credit and surety business primarily due to better than expected loss emergence attributable to the international credit and mortgage books of business mainly related to the 2018 and 2019 accident years and the 2021 and 2022 accident years, partially offset by increases in loss estimates attributable to specific large claims related to the 2020 accident year.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Run-off lines

- $46 million of net favorable prior year reserve development on catastrophe business primarily due to better than expected loss emergence mainly attributable to 2022 events.

- $15 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence mainly attributable to 2022 catastrophe events.

- $5 million of net favorable prior year reserve development on engineering business primarily due to better than expected loss emergence mainly related to older accident years.

In 2022, we recognized $9 million of net favorable prior year reserve development, the principal components of which were:

- $44 million of net favorable prior year reserve development on credit and surety business primarily due to better than expected loss emergence mainly related to the 2015 through 2021 accident years, most notably within the mortgage book of business related to the 2020 and 2021 accident years.

- $18 million of net favorable prior year reserve development on motor business primarily due to better than expected loss emergence mainly related to the 2017 through 2020 accident years.

- $14 million of net favorable prior year reserve development on accident and health business primarily due to better than expected loss emergence mainly related to the 2019 through 2021 accident years.

- $12 million of net favorable prior year reserve development on agriculture business primarily due to better than expected loss emergence mainly related to the 2019 and 2021 accident years.

- $58 million of net adverse prior year reserve development on liability business primarily due to increases in loss estimates attributable to specific large claims related to the 2018 and 2021 accident years and reserve strengthening within the U.S. non-proportional books of business related to the 2016 through 2019 accident years.

- $55 million of net adverse prior year reserve development on professional lines business primarily due to increases in loss estimates attributable to one cedant related to several accident years, and reserve strengthening within the U.S. public D&O proportional books of business related to 2017 and older accident years.

Run-off lines

- $43 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence attributable to 2017 through 2021 catastrophe events and better than expected attritional loss emergence attributable to the 2021 accident year.

- $10 million of net adverse prior year reserve development on engineering business primarily due to increases in loss estimates attributable to specific large claims mainly related to the 2011, 2018 and 2019 accident years.

In 2021, we recognized $14 million of net favorable prior year reserve development, the principal components of which were:

- $44 million of net favorable prior year reserve development on motor business primarily due to proportional and non-proportional treaty business mainly related to 2016 and older accident years.

- $6 million of net favorable prior year development on accident and health business primarily due to better than expected loss emergence mainly related to the 2019 and 2020 accident years.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- $24 million of net adverse prior year reserve development on professional lines business primarily due to reserve strengthening within the U.S. and European books of business related to the 2015 through 2018 accident years and increases in the loss estimates attributable to specific large claims related to the 2015 to 2017 accident years.

- $18 million of net adverse prior year reserve development on liability business primarily due to increases in loss estimates attributable to specific large claims related to the 2017 and 2018 accident years and reserve strengthening within the commercial auto liability and U.S. multiline/regional books of business related to the 2018 accident year.

- $11 million of net adverse prior year development on marine and aviation business primarily due to an increase in the loss estimate attributable to specific large claim mainly related to 2018 accident year.

Run-off lines

- $18 million of net favorable prior year reserve development on property business primarily due to decreases in loss estimates attributable to specific large claims related to the 2009, and 2017 through 2019 accident years, and better than expected loss emergence attributable to 2017 through 2019 catastrophe events, partially offset by reserve strengthening attributable to 2020 catastrophe events.

- $5 million of net adverse prior year development on engineering business primarily due to reserve strengthening mainly related to the 2016, 2017 and 2019 accident years, partially offset by decreases in loss estimates attributable to specific large claims related to the 2018 accident year.

Net Incurred and Paid Claims Development Tables by Accident Year

The following tables present net incurred and paid claims development by accident year, total incurred-but-not-reported liabilities plus expected development on reported claims, cumulative reported claims frequency and average annual percentage payout of incurred claims by age for each line of business. The loss development tables are presented on an accident year basis for each line of business in the insurance and reinsurance segments. The Company does not discount reserves for losses and loss expenses.

Non-U.S. dollar denominated loss data is converted to U.S. dollar at the rates of exchange in effect at the balance sheet date for material underlying currencies. Fluctuations in foreign currency exchange rates may cause material shifts in loss development. Reserves for losses and loss expenses disclosed in the consolidated balance sheets are also remeasured using the rates of exchange in effect at the balance sheet date.

There are many considerations in establishing net reserves for losses and loss expenses. An attempt to evaluate net reserves for losses and loss expenses using solely the paid losses and claim counts presented in these tables could be misleading. When projecting net reserves for losses and loss expenses, the Company relies on several inputs in addition to the information presented in this disclosure including case incurred loss projections, changes in mix of business, external trends, and additional qualitative information. The Company cautions against mechanical application of standard actuarial methodologies to project ultimate losses using data presented in this disclosure.

Insurance Segment

The reporting of cumulative claims frequency for the lines of business within the insurance segment has been measured by counting the number of unique claim references including claim references assigned to nil and nominal case reserves. Claim references are grouped by claimant by loss event for each line of business. For certain insurance facilities and business produced by managing general agents where underlying data is reported to the Company in an aggregated format, the information necessary to provide cumulative claims frequency is not available therefore reporting of claims frequency is deemed to be impracticable.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance Property

The property line of business provides physical loss or damage, business interruption and machinery breakdown cover for virtually all types of property, including commercial buildings, residential premises, construction projects, property in transit, onshore renewable energy installations, and physical damage and business interruption following an act of terrorism. This line of business includes primary and excess risks, some of which are catastrophe-exposed.

In general, reporting and payment patterns are relatively short although they can be volatile due to the incidence of catastrophe events.

Insurance property

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023	
	For the years ended December 31,											
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
2014	$ 289,270	$ 287,431	$ 277,183	$ 262,701	$ 262,173	$ 259,792	$ 255,887	$ 253,279	$ 253,203	$ 253,414	$ 775	4,174
2015		207,711	200,398	192,736	190,310	186,952	189,066	179,075	181,323	181,928	85	4,194
2016			263,762	287,858	279,532	265,152	259,319	260,370	259,786	264,976	1,951	6,668
2017				794,042	700,638	688,755	679,243	675,085	675,409	669,951	6,375	10,096
2018					608,422	639,465	618,888	611,057	609,977	600,596	12,492	9,659
2019						374,678	364,350	359,092	369,962	353,671	4,503	9,561
2020							654,495	635,344	584,921	593,780	24,336	12,417
2021								378,554	375,607	372,223	9,213	7,730
2022									414,743	419,139	49,138	7,410
2023										399,165	188,657	5,732
									Total	$ 4,108,843		

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance property

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance — For the years ended December 31, 2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 100,736	$ 201,931	$ 244,372	$ 250,321	$ 254,051	$ 254,858	$ 251,701	$ 252,772	$ 252,787	$ 252,526
2015		67,621	145,027	166,211	179,727	179,409	186,010	177,227	182,038	181,716
2016			82,583	206,979	243,050	250,662	250,822	256,476	253,891	260,115
2017				190,861	513,044	622,040	650,218	645,841	635,493	647,610
2018					221,345	468,431	563,191	573,034	590,739	577,000
2019						148,181	257,515	306,415	343,463	332,848
2020							182,611	425,893	481,646	531,448
2021								134,273	286,801	323,656
2022									97,622	262,381
2023										90,855
									Total	3,460,155
									All outstanding liabilities before 2014, net of reinsurance	14,248
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 662,936

Insurance property

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
32.9%	41.2%	13.4%	5.3%	0.1%	0.4%	(1.3%)	1.8%	(0.1%)	(0.1%)

Insurance Accident and Health

The accident and health line of business includes personal accident, travel insurance and specialty health products for employer and affinity groups, and pet insurance.

In general, reporting and payment patterns are relatively short although they can be volatile due to the incidence of catastrophe events. An increase in limited benefits medical business written in 2017 resulted in a significant increase in reported claims observed in that year and subsequent years.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance accident and health

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023	
	For the years ended December 31,											
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
2014	$ 71,520	$ 67,380	$ 66,874	$ 65,347	$ 64,973	$ 65,710	$ 64,938	$ 64,070	$ 62,703	$ 64,392	$ 1,621	58,081
2015		70,622	69,494	66,013	64,219	64,771	64,441	63,772	64,433	61,759	1,049	44,138
2016			85,244	85,892	86,338	87,470	87,154	88,180	87,972	87,399	2,179	87,001
2017				113,921	121,146	118,949	117,050	117,131	117,012	118,125	36	688,000
2018					111,119	115,977	115,077	113,118	114,134	114,844	291	745,012
2019						73,926	75,093	65,623	69,203	68,344	121	675,634
2020							69,679	63,963	67,525	64,297	1,275	718,512
2021								69,543	72,044	78,478	3,605	433,643
2022									98,796	100,629	9,807	380,675
2023										172,795	67,393	222,537
									Total	$ 931,062		

Insurance accident and health

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 31,662	$ 56,693	$ 60,682	$ 61,855	$ 62,513	$ 62,844	$ 62,716	$ 61,588	$ 61,996	$ 62,660
2015		31,518	56,988	60,168	61,051	62,065	61,926	62,584	62,677	60,575
2016			41,583	79,237	83,077	83,929	85,010	85,413	86,123	85,272
2017				63,285	109,312	114,555	115,981	117,100	116,280	118,138
2018					61,849	106,748	109,194	112,884	113,787	114,595
2019						45,133	61,526	63,046	68,088	68,030
2020							36,317	52,290	60,804	59,240
2021								39,185	61,593	69,661
2022									46,568	82,209
2023										95,951
									Total	816,331
	All outstanding liabilities before 2014, net of reinsurance									(238)
	Liabilities for claims and claim adjustment expenses, net of reinsurance									$ 114,493

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance accident and health									
Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
53.0%	34.9%	6.0%	1.9%	0.9%	0.2%	0.8%	(0.9%)	(1.4%)	1.0%

Insurance Marine and Aviation

The marine line of business provides cover for a range of exposures including offshore energy, renewable offshore energy, cargo, liability including kidnap and ransom, fine art, specie, and hull war. Offshore energy coverage includes physical damage, business interruption, operator's extra expense and liability coverage for all aspects of offshore upstream energy from exploration and construction through the operation and distribution phases.

The complex nature of claims arising under marine policies tends to result in reporting and payment patterns that are longer than those of the property line of business with marine liability exhibiting the longest reporting and payment patterns as claims involve passengers and third parties. Exposure to natural perils such as windstorm and earthquake can result in volatility.

The aviation line of business provides cover for hull and liability, and specific war cover primarily for passenger airlines but also for cargo operations, general aviation operations, airports, aviation authorities, security firms and product manufacturers.

The claims reporting pattern varies by insurance coverage provided. Losses arising from war or terrorism and damage to hulls of aircraft are generally reported quickly compared with liability claims which involve passengers and third parties and generally exhibit longer reporting and payment patterns.

Insurance marine and aviation												
	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023	
	For the years ended December 31,											
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
2014	$ 80,064	$ 66,878	$ 71,051	$ 64,768	$ 65,913	$ 63,693	$ 55,526	$ 53,013	$ 52,286	$ 52,308	$ 830	3,566
2015		187,067	165,908	161,465	153,737	140,673	146,174	145,447	145,394	143,900	111	4,312
2016			115,520	111,878	109,478	101,928	101,351	100,488	101,388	102,345	2,038	4,836
2017				262,628	229,801	227,355	225,397	217,443	217,232	215,683	6,867	8,577
2018					238,117	255,652	241,715	234,901	228,369	229,903	14,910	8,742
2019						215,911	210,536	213,480	226,586	224,914	14,884	7,697
2020							208,542	180,156	163,700	164,808	14,618	6,439
2021								240,182	221,864	204,483	34,829	6,754
2022									265,181	257,637	92,387	7,159
2023										298,845	210,136	5,172
								Total		$ 1,894,826		

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance marine and aviation

Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance
For the years ended December 31,

Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 10,336	$ 22,874	$ 36,805	$ 39,439	$ 48,583	$ 52,793	$ 53,941	$ 48,435	$ 50,255	$ 50,383
2015		29,498	69,563	125,369	130,290	133,087	135,881	142,268	142,437	142,432
2016			22,886	50,976	83,039	90,273	92,239	94,184	97,274	97,951
2017				35,415	106,527	140,126	172,205	180,904	184,824	196,724
2018					47,525	123,434	159,948	173,667	185,455	197,961
2019						54,028	103,253	145,927	171,372	178,967
2020							44,655	84,391	106,403	119,063
2021								26,924	69,687	108,772
2022									30,101	101,228
2023										36,613
									Total	1,230,094
									All outstanding liabilities before 2014, net of reinsurance	13,750
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 678,482

Insurance marine and aviation

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
18.8%	26.6%	22.5%	7.9%	5.6%	3.8%	3.8%	(3.2%)	1.8%	0.2%

Insurance Cyber

The cyber line of business provides cover for cyber, technology errors and omissions, media and miscellaneous professional liability. Cover is provided for a range of risks including data recovery and bricking, cyber-crime, liability and regulatory actions, business interruption, extortion, reputational harm, Payment Card Industry Data Security Standard and media liability.

Typically, this line of business takes longer to develop but specific first party coverages tend to develop more quickly than third party coverages.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance cyber

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023	
	For the years ended December 31,											
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
2014	$ 70,557	$ 69,690	$ 69,955	$ 57,876	$ 47,342	$ 42,887	$ 39,516	$ 43,576	$ 39,832	$ 40,743	$ 604	1,159
2015		65,231	63,595	63,066	51,250	50,357	50,758	52,526	49,795	48,042	2,046	1,427
2016			58,741	56,565	58,261	40,266	37,322	29,929	27,873	25,258	1,072	1,667
2017				53,187	50,794	56,783	51,931	50,905	48,685	48,333	3,234	1,817
2018					33,429	31,966	33,962	31,111	26,732	24,495	4,574	2,152
2019						54,444	58,717	81,982	82,006	73,152	14,109	2,900
2020							114,209	106,333	103,175	126,457	25,132	2,856
2021								125,460	134,382	105,642	20,662	2,432
2022									129,361	120,494	71,510	1,730
2023										128,252	102,582	1,503
									Total	$ 740,868		

Insurance cyber

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 3,136	$ 12,162	$ 23,330	$ 29,962	$ 31,260	$ 33,819	$ 33,732	$ 35,440	$ 36,070	$ 38,043
2015		5,572	15,333	25,544	28,501	30,865	39,470	42,515	43,635	45,432
2016			1,348	4,637	14,141	18,502	21,333	23,136	23,207	24,054
2017				9,354	19,165	28,331	35,897	38,031	40,557	39,995
2018					2,171	7,327	9,874	14,810	19,267	18,334
2019						2,787	20,950	32,608	60,961	57,318
2020							17,732	50,344	63,813	82,625
2021								24,108	65,577	75,369
2022									7,830	37,861
2023										9,237
									Total	428,268
									All outstanding liabilities before 2014, net of reinsurance	9,471
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 322,071

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance cyber

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
10.7%	23.5%	19.0%	18.5%	6.2%	6.5%	1.3%	3.3%	2.6%	4.8%

Insurance Professional Lines

The professional lines line of business provides directors' and officers' liability, errors and omissions liability, employment practices liability, fiduciary liability, crime, professional indemnity, medical malpractice and other financial insurance related covers for public and private commercial enterprises, financial institutions, not-for-profit organizations and other professional service providers. This business is predominantly written on a claims-made basis.

Typically, this line of business is anticipated to exhibit longer reporting and payment patterns than most other insurance lines of business. For some professional lines in the insurance segment, the Company also relies on the evaluation of the open claim inventory in addition to the commonly employed actuarial methods when establishing reserves.

Insurance professional lines

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023	
	For the years ended December 31,											
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
2014	$ 338,378	$ 338,670	$ 348,064	$ 331,044	$ 321,027	$ 308,193	$ 305,201	$ 304,657	$ 301,289	$ 305,060	$ 35,601	8,881
2015		309,864	310,926	317,455	304,062	291,176	274,091	272,909	283,894	282,238	20,475	9,341
2016			288,595	293,399	297,852	316,592	329,270	339,513	340,465	356,814	32,954	10,590
2017				339,231	343,055	376,569	376,993	394,154	392,002	396,732	53,138	12,605
2018					325,926	342,931	392,819	423,162	449,212	468,504	76,008	15,333
2019						347,810	363,998	378,899	412,150	460,120	83,773	14,606
2020							322,386	321,530	302,097	293,935	130,739	9,318
2021								378,660	369,587	326,128	198,067	8,127
2022									461,196	447,359	371,912	8,041
2023										441,477	414,023	7,251
									Total	$ 3,778,367		

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance professional lines

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 20,263	$ 57,536	$ 105,155	$ 160,677	$ 190,560	$ 206,982	$ 216,811	$ 238,969	$ 244,776	$ 253,033
2015		14,353	51,709	111,149	139,574	171,000	200,892	213,465	225,062	249,916
2016			14,428	66,048	131,831	172,360	210,701	235,136	276,175	290,732
2017				11,515	51,823	109,107	167,645	198,859	269,668	291,943
2018					18,446	74,859	143,248	204,941	265,501	336,329
2019						25,061	76,711	133,453	206,462	289,475
2020							8,729	44,076	97,847	125,713
2021								9,781	38,605	83,605
2022									10,983	46,224
2023										12,183
									Total	1,979,153
							All outstanding liabilities before 2014, net of reinsurance			131,134
							Liabilities for claims and claim adjustment expenses, net of reinsurance			$ 1,930,348

Insurance professional lines

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
3.9%	11.3%	16.1%	13.3%	11.7%	11.1%	6.2%	5.2%	5.4%	2.7%

Insurance Credit and Political Risk

The credit and political risk line of business provides credit and political risk insurance products for banks, commodity traders, corporations and multilateral and export credit agencies. Cover is provided for a range of risks including sovereign and corporate credit default, political violence, currency inconvertibility and non-transfer, expropriation, aircraft non-repossession and contract frustration due to political events.

The credit insurance coverage is primarily for lenders seeking to mitigate the risk of non-payment from their borrowers. In order to claim compensation under a credit insurance contract, the insured (most often a bank) cannot assign, without the Company's prior agreement, the insured contract (most often a loan) to any third party and is normally obliged to hold a material portion of insured asset on their books, unhedged and uninsured. Claims for this business tend to be characterized by their severity risk, as opposed to their frequency risk.
Given the nature of the business, under the notification provisions of credit insurance policies issued by the Company, it anticipates being advised of an insured event within a relatively short time period. Consequently, the Company generally estimates ultimate losses based on a contract-by-contract analysis which considers the contracts’ terms, the facts and circumstances of underlying loss events and qualitative input from claims managers. Despite notification, credit and political

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

risk claim reporting and payment patterns are anticipated to be volatile and can take longer to develop due to the complex nature of claims and the potential additional time that may be required to realize subrogation assets.

Insurance credit and political risk

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023	
	For the years ended December 31,											
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
2014	$ 38,825	$ 70,712	$ 67,109	$ 68,323	$ 69,589	$ 71,274	$ 70,748	$ 69,113	$ 69,677	$ 69,677	$ —	6
2015		30,329	30,368	27,524	26,012	25,930	24,851	24,189	23,309	23,309	—	2
2016			45,006	45,079	42,589	43,160	26,946	25,965	24,885	24,885	—	2
2017				48,181	32,808	26,044	18,269	16,022	11,068	8,566	2,086	4
2018					42,976	33,747	32,738	24,845	21,182	24,356	5,584	2
2019						53,332	81,470	75,610	74,066	71,270	11,546	31
2020							61,928	70,428	62,235	50,987	19,594	43
2021								42,417	37,104	26,322	13,363	23
2022									45,444	44,450	37,463	24
2023										59,258	54,333	19
									Total	$ 403,080		

Insurance credit and political risk

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 1,924	$ 39,952	$ 61,108	$ 57,857	$ 57,857	$ 64,050	$ 70,224	$ 70,224	$ 69,677	$ 69,677
2015		—	23,309	23,309	23,309	23,309	23,309	23,309	23,309	23,309
2016			—	24,885	24,885	24,885	24,885	24,885	24,885	24,885
2017				403	4,035	9,251	11,710	10,925	10,394	8,666
2018					5,370	13,488	15,517	11,851	19,963	23,841
2019						16,026	46,456	53,750	56,956	55,067
2020							9,825	90,299	58,492	53,786
2021								2,769	(370)	8,228
2022									2,796	8,115
2023										2,743
									Total	278,317
									All outstanding liabilities before 2014, net of reinsurance	592
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 125,355

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance credit and political risk

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
9.3%	59.0%	10.0%	0.6%	3.6%	3.7%	(2.8%)	—%	(0.4%)	—%

Insurance Liability

The liability line of business primarily targets primary and low to mid-level excess and umbrella commercial liability risks in the U.S. wholesale markets in addition to primary and excess of loss employers, public, and products liability business predominately in the U.K. Target industry sectors include construction, manufacturing, transportation and trucking and other services.

Typically, this line of business is anticipated to exhibit longer claim reporting and payment patterns than most other insurance lines of business and claims are often reported and ultimately paid or settled years, or even decades, after the related loss events occur.

Insurance liability

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023	
	For the years ended December 31,											
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
2014	$ 107,126	$ 124,289	$ 129,750	$ 130,666	$ 132,013	$ 131,469	$ 132,565	$ 132,043	$ 132,474	$ 131,210	$ 9,697	5,820
2015		128,436	127,299	137,477	164,982	182,690	188,004	186,931	188,261	189,795	18,423	6,769
2016			124,313	130,160	128,854	127,451	120,199	120,187	125,614	124,969	17,081	7,648
2017				167,334	166,052	184,781	200,391	204,533	214,707	250,887	37,518	8,812
2018					167,552	167,672	190,639	204,519	216,038	251,875	38,901	8,644
2019						192,468	193,435	222,885	238,035	300,584	66,863	8,183
2020							224,616	225,038	230,921	249,189	88,543	6,180
2021								232,051	245,585	302,023	141,022	6,748
2022									323,261	357,574	246,679	7,365
2023										364,604	331,464	5,168
									Total	$ 2,522,710		

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance liability

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 1,411	$ 18,633	$ 49,829	$ 71,589	$ 84,369	$ 93,569	$ 103,041	$ 106,205	$ 113,150	$ 116,384
2015		5,438	22,353	39,581	92,598	120,136	140,809	150,640	159,004	162,656
2016			6,315	23,260	36,356	56,403	66,290	79,519	95,787	102,773
2017				5,463	29,432	58,988	115,568	143,440	168,615	190,475
2018					9,374	34,860	72,219	119,152	158,622	188,910
2019						7,833	39,846	83,692	139,077	192,435
2020							8,148	25,174	75,907	118,306
2021								13,397	51,859	103,892
2022									13,212	53,507
2023										9,855
									Total	1,239,193
									All outstanding liabilities before 2014, net of reinsurance	49,217
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 1,332,734

Insurance liability

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
3.2%	10.8%	15.3%	19.6%	12.8%	10.1%	8.5%	4.1%	3.6%	2.5%

Reinsurance Segment

The presentation of net incurred and paid claims development tables by accident year for the reinsurance segment is challenging due to the need to allocate loss information related to proportional treaties to the appropriate accident years. Information related to proportional treaty reinsurance contracts is generally submitted to the Company via quarterly bordereaux reporting by underwriting year, with a supplemental listing of large losses. Large losses can be allocated to the corresponding accident years accurately. The remaining losses can generally only be allocated to accident years based on estimated premiums earned and loss reporting patterns. To the extent management's assumptions and allocation procedures differ from the actual loss development patterns, the actual loss development may differ materially from the net incurred and paid claims development presented in the tables below.

The reporting of cumulative claims frequency for the lines of business within the reinsurance segment is deemed to be impracticable as the information necessary to provide cumulative claims frequency for these lines of business is not available to the Company.

Reinsurance Accident and Health

The accident and health line of business includes personal accident, specialty health, accidental death, travel, life and disability reinsurance products which are offered on a proportional and catastrophic or per life excess of loss basis.

In general, reporting and payment patterns are relatively short although they can be volatile due to the incidence of catastrophe events.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance accident and health

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023
	For the years ended December 31,										Total of incurred-but-not-reported liabilities plus expected development on reported claims
Accident Year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	
2014	$ 101,409	$ 102,403	$ 89,303	$ 86,833	$ 86,843	$ 86,846	$ 87,806	$ 88,095	$ 87,978	$ 87,664	$ 125
2015		93,831	100,522	94,047	93,807	93,081	93,422	92,431	92,388	93,133	105
2016			170,687	191,299	188,454	190,067	189,538	190,574	190,534	190,662	16
2017				183,937	189,610	183,574	182,477	183,513	183,484	182,479	(16)
2018					193,749	200,576	198,365	201,133	200,467	197,493	766
2019						217,477	212,307	207,794	205,403	199,419	1,328
2020							226,883	220,969	213,960	199,958	1,757
2021								232,091	227,326	222,718	9,765
2022									267,525	264,615	40,396
2023										243,174	91,280
									Total	$ 1,881,315	

Reinsurance accident and health

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident Year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 36,571	$ 79,974	$ 85,931	$ 86,332	$ 86,534	$ 86,622	$ 87,302	$ 86,384	$ 86,771	$ 87,202
2015		23,409	77,316	88,728	91,935	92,036	92,497	93,921	93,735	92,468
2016			50,046	149,959	181,072	187,251	189,234	188,836	189,815	189,409
2017				79,252	157,157	172,111	178,943	179,462	180,121	179,889
2018					72,899	165,323	191,832	191,400	194,524	195,018
2019						67,810	169,608	195,954	196,694	194,800
2020							81,875	172,178	210,665	192,491
2021								68,652	179,626	210,115
2022									101,596	214,611
2023										130,949
									Total	1,686,952
									All outstanding liabilities before 2014, net of reinsurance	(213)
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 194,150

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance accident and health

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
37.1%	48.7%	12.9%	0.3%	0.4%	0.2%	0.7%	(0.5%)	(0.5%)	0.5%

Reinsurance Agriculture

The agriculture line of business provides protection for risks associated with the production of food and fiber on a global basis for primary insurance companies writing multi-peril crop insurance, crop hail, and named peril covers, as well as custom risk transfer mechanisms for agricultural dependent industries with exposures to crop yield and/or price deviations. This business is written on a proportional and aggregate stop loss reinsurance basis.

In general, reporting and payment patterns are relatively short although they can be volatile due to the incidence of extreme weather events and in some territories take longer to settle due to government involvement in the loss adjustment process.

Reinsurance agriculture

	Incurred claims and allocated claim adjustment expenses, net of reinsurance									At December 31, 2023
	For the years ended December 31,									Total of incurred-but-not-reported liabilities plus expected development on reported claims
Accident Year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	
2014	$ 183,260	$ 164,351	$ 162,820	$ 162,388	$ 162,314	$ 162,327	$ 162,245	$ 162,068	$ 162,762	$ 162,927	$ 482
2015		103,199	95,608	95,346	95,332	95,339	95,516	95,503	95,634	96,251	(27)
2016			124,229	117,960	111,045	109,633	109,863	109,068	109,012	109,763	(72)
2017				151,768	144,401	138,439	139,510	138,984	137,516	136,658	(60)
2018					141,040	147,359	140,883	140,618	139,989	142,760	646
2019						185,560	185,345	187,770	183,384	183,092	93
2020							62,678	62,837	63,874	61,986	1,130
2021								69,823	61,437	57,857	6,144
2022									101,082	91,534	16,972
2023										103,489	81,193
									Total	$ 1,146,317	

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance agriculture

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident Year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 15,615	$ 133,137	$ 162,349	$ 161,575	$ 161,498	$ 162,011	$ 160,516	$ 161,167	$ 162,068	$ 162,194
2015		1,716	65,870	92,979	94,535	94,873	95,468	95,457	95,612	96,224
2016			9,489	62,530	108,378	109,922	109,410	109,172	109,211	109,762
2017				7,444	124,528	137,502	138,640	137,482	137,429	136,605
2018					5,115	127,577	135,674	141,768	138,398	144,070
2019						28,854	154,533	174,250	178,264	177,760
2020							17,454	47,377	54,269	55,359
2021								2,953	32,846	46,117
2022									15,347	55,508
2023										14,633
									Total	998,232
									All outstanding liabilities before 2014, net of reinsurance	(463)
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 147,622

Reinsurance agriculture

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
10.9%	63.5%	18.5%	1.7%	(0.6%)	0.9%	(0.4%)	0.4%	0.6%	0.1%

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance Marine and Aviation

The marine line of business includes specialty marine exposures such as cargo, hull, pleasure craft, marine liability, inland marine and offshore energy. The principal perils covered by policies in this portfolio include physical loss, damage and/or liability arising from natural perils of the seas or land, man-made events including fire and explosion, stranding/sinking/salvage, pollution, shipowners and maritime employers liability. This business is written on a non-proportional and proportional basis.

The aviation line of business provides cover for airline, aerospace and general aviation exposures. This business is written on a proportional and non-proportional basis. The Company exited Aviation business effective January 1, 2023.

Losses arising from marine and aviation lines of business are generally reported quickly with the exception of marine and aviation liability claims which tend to exhibit longer reporting and payment patterns as claims involve passengers and third parties.

Reinsurance marine and aviation											
	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023
	For the years ended December 31,										Total of incurred-but-not-reported liabilities plus expected development on reported claims
Accident Year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	
2014	$ 10,192	$ 9,162	$ 8,019	$ 7,209	$ 9,192	$ 8,535	$ 8,786	$ 9,025	$ 9,530	$ 9,841	$ 368
2015		10,366	9,242	10,836	15,019	12,652	12,281	12,046	11,998	12,054	527
2016			32,453	35,965	36,130	37,519	36,052	36,371	36,773	36,263	52
2017				55,299	42,961	41,363	46,612	43,243	40,900	40,827	43
2018					18,906	27,454	27,006	43,540	47,066	48,477	35
2019						69,806	82,194	79,801	81,628	84,756	5,560
2020							40,298	41,766	37,892	37,098	308
2021								43,763	40,830	35,672	2,976
2022									68,907	59,227	32,375
2023										40,951	34,539
									Total	$ 405,166	

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance marine and aviation

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident Year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 1,121	$ 2,307	$ 4,388	$ 5,256	$ 6,320	$ 6,499	$ 7,003	$ 7,370	$ 7,563	$ 8,477
2015		416	2,665	6,443	8,662	10,220	11,017	10,843	10,925	11,058
2016			2,765	19,544	26,673	30,619	33,399	34,450	35,044	35,256
2017				2,803	23,620	28,954	33,912	36,978	37,091	37,996
2018					1,783	10,880	24,325	30,763	34,435	37,829
2019						10,763	27,167	34,317	52,763	67,800
2020							4,024	16,730	24,006	29,862
2021								5,478	12,341	20,486
2022									7,817	18,588
2023										1,473
									Total	268,825
									All outstanding liabilities before 2014, net of reinsurance	1,923
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 138,264

Reinsurance marine and aviation

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
8.9%	26.4%	20.5%	14.4%	10.7%	3.7%	1.9%	1.7%	1.6%	9.3%

Reinsurance Professional Lines

The professional lines line of business provides protection for directors' and officers' liability, employment practices liability, medical malpractice, professional indemnity, environmental liability, cyber, and miscellaneous errors and omissions insurance risks. The underlying business is predominantly written on a claims-made basis. This business is written on a proportional and excess of loss basis.
Typically, this line of business is anticipated to exhibit longer claim reporting and payment patterns than most other reinsurance lines of business.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance professional lines

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023
	For the years ended December 31,										
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims
2014	$ 219,162	$ 219,123	$ 219,052	$ 218,847	$ 233,169	$ 229,556	$ 228,193	$ 226,234	$ 234,311	$ 246,043	$ 13,578
2015		211,820	211,774	213,993	224,649	231,352	228,410	235,131	241,113	252,022	16,515
2016			195,019	196,073	199,715	227,468	255,088	255,012	266,979	278,699	26,195
2017				154,889	155,470	161,694	177,819	187,761	210,303	239,324	38,070
2018					145,994	148,458	155,390	165,981	173,954	195,575	24,160
2019						138,048	137,723	141,610	146,088	157,572	36,200
2020							140,886	141,559	136,107	134,478	69,314
2021								148,950	140,737	136,381	93,845
2022									169,576	153,853	125,013
2023										136,051	124,516
									Total	$ 1,929,998	

Reinsurance professional lines

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 2,019	$ 13,062	$ 48,791	$ 74,479	$ 109,048	$ 146,917	$ 158,388	$ 178,058	$ 189,874	$ 196,444
2015		3,134	13,504	41,512	79,208	111,743	131,543	152,328	170,555	184,073
2016			1,765	20,487	52,540	95,084	124,881	153,575	181,141	202,925
2017				2,813	14,871	39,857	62,723	88,791	116,293	137,492
2018					271	2,572	31,198	56,882	81,729	113,771
2019						368	13,614	33,628	53,221	76,094
2020							3,823	13,969	26,926	40,718
2021								4,337	11,366	22,619
2022									3,234	11,713
2023										3,435
									Total	989,284
									All outstanding liabilities before 2014, net of reinsurance	113,403
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 1,054,117

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance professional lines

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
1.5%	5.3%	11.6%	12.3%	12.6%	12.3%	7.9%	7.7%	5.1%	2.7%

Reinsurance Credit and Surety

The credit and surety line of business which provides reinsurance of trade credit insurance products and includes proportional and excess of loss structures. The underlying insurance indemnifies sellers of goods and services in the event of a payment default by the buyer of those goods and services. Surety reinsurance provides protection for losses arising from a broad array of surety bonds issued by insurers to satisfy regulatory demands or contract obligations in a variety of jurisdictions around the world. The Company also provides mortgage reinsurance to mortgage guaranty insurers and U.S. government sponsored entities for losses related to credit risk transfer into the private sector.

Initial and most recent underwriting year loss projections are generally based on the ELR Method, with consideration given to qualitative factors. Given that there is a quicker and more stable reporting pattern for trade credit and mortgage business, the Company generally commences the transition to experience-based methods sooner for these lines of business than for surety business.

Reinsurance credit and surety

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023
	For the years ended December 31,										
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims
2014	$ 134,434	$ 134,527	$ 141,621	$ 137,973	$ 126,744	$ 125,477	$ 121,780	$ 120,482	$ 120,790	$ 111,511	$ 1,914
2015		159,274	164,350	159,148	155,217	136,568	137,528	138,726	132,989	129,333	1,447
2016			140,892	140,188	147,955	122,495	114,957	112,631	110,316	112,465	35
2017				137,832	131,630	125,763	117,044	114,412	114,131	114,612	2,647
2018					111,022	119,227	113,535	110,531	105,503	94,229	4,053
2019						74,101	67,825	67,759	65,573	57,322	6,315
2020							76,917	83,559	68,987	94,943	8,385
2021								52,005	43,967	41,463	13,732
2022									63,653	51,231	33,129
2023										86,367	64,350
									Total	$ 893,476	

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance credit and surety

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 35,450	$ 60,597	$ 85,266	$ 94,274	$ 101,859	$ 106,267	$ 106,708	$ 106,519	$ 107,713	$ 98,533
2015		32,863	81,001	98,709	115,549	117,462	121,115	121,975	120,617	118,116
2016			41,937	72,691	91,490	101,065	102,149	100,682	100,426	102,558
2017				37,246	73,362	89,715	101,337	99,463	102,390	103,252
2018					38,868	67,839	72,096	83,736	85,505	87,073
2019						19,301	30,985	44,702	46,835	49,050
2020							25,339	34,050	39,495	43,888
2021								4,471	9,170	17,175
2022									6,883	11,302
2023										10,335
									Total	641,282
									All outstanding liabilities before 2014, net of reinsurance	26,307
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 278,501

Reinsurance credit and surety

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
26.5%	22.1%	15.0%	8.6%	2.3%	2.0%	0.4%	0.2%	(0.4%)	(8.2%)

Reinsurance Motor

The motor line of business provides protection to insurers for motor liability and motor property damage losses arising out of any one occurrence. A loss occurrence can involve one or many claimants where the ceding insurer aggregates the claims from the occurrence. The Company offers traditional proportional and non-proportional reinsurance as well as structured solutions predominantly relating to European exposures.

The motor proportional business generally has a shorter reported and payment pattern, relative to the motor non-proportional business.

The motor non-proportional business consists of standard excess of loss contracts written for cedants in several European countries with most of the premium related to two major markets, U.K. and France. Since 2009/2010, an increasing number of large bodily injury settlements in the U.K. market were settled using indexed annuities (Periodical Payment Orders "PPOs"). This led to a materially longer development tail on the older accident years for the U.K. non-proportional motor book. This also resulted in the inclusion of capitalization clauses on a number of U.K. motor treaties which allow reinsurers to settle claims arising under PPOs with a lump sum payment, to help mitigate the lengthening of the development tail on more recent accident years.

In 2017, the U.K. Ministry of Justice announced a decrease in the discount rate to be used to calculate lump sum awards in U.K. bodily injury cases, known as the Ogden Rate. Effective March 20, 2017, the Ogden rate changed from plus 2.5% to minus 0.75%. This resulted in a trend toward a lower number of claims settlements using PPOs and an increase in projected ultimate losses, particularly related to recent accident years.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Effective August 5, 2019, the Ogden rate changed from minus 0.75% to minus 0.25%. This resulted in a decrease in projected ultimate losses, particularly related to recent accident years.

Reinsurance motor

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023
	For the years ended December 31,										
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims
2014	$ 181,056	$ 180,792	$ 175,983	$ 173,139	$ 168,796	$ 165,481	$ 162,212	$ 161,835	$ 162,730	$ 161,844	$ 2,346
2015		221,182	215,201	219,055	220,820	209,908	208,620	205,780	206,090	204,673	8,979
2016			244,395	259,912	261,592	251,675	243,353	240,717	244,553	245,098	4,366
2017				361,782	368,517	357,741	358,286	359,026	354,392	361,134	22,422
2018					355,561	353,384	364,664	360,907	348,323	361,117	17,400
2019						338,031	336,957	337,404	328,522	332,952	12,894
2020							215,257	218,224	215,572	197,439	10,872
2021								180,372	182,010	184,244	25,813
2022									160,697	173,870	35,986
2023										125,498	60,323
									Total	$ 2,347,869	

Reinsurance motor

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 43,148	$ 73,129	$ 92,183	$ 100,071	$ 109,989	$ 119,355	$ 114,654	$ 135,455	$ 138,281	$ 141,456
2015		57,638	92,382	112,128	129,175	144,878	145,593	168,295	173,373	175,479
2016			60,689	103,868	127,404	145,160	158,004	182,077	189,563	198,144
2017				72,143	133,447	163,724	198,778	221,060	244,440	262,741
2018					83,831	141,391	205,874	215,988	240,535	260,818
2019						90,328	183,841	201,210	223,167	242,207
2020							43,752	96,208	115,689	127,881
2021								41,869	76,338	94,500
2022									35,213	52,971
2023										26,040
									Total	1,582,237
									All outstanding liabilities before 2014, net of reinsurance	255,320
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 1,020,952

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance motor

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
23.6%	18.8%	10.3%	6.5%	6.3%	5.6%	4.1%	6.3%	1.4%	2.0%

Reinsurance Liability

The liability line of business provides protection to insurers of admitted casualty business, excess and surplus lines casualty business and specialty casualty programs. The primary focus of the underlying business is general liability, workers' compensation, auto liability and excess casualty.

Typically, this line of business is anticipated to exhibit longer claim reporting and payment patterns than most other reinsurance lines of business and claims are often reported and ultimately paid or settled years, or even decades, after the related loss events occur.

Reinsurance liability

	Incurred claims and allocated claim adjustment expenses, net of reinsurance									At December 31, 2023
	For the years ended December 31,									Total of incurred-but-not-reported liabilities plus expected development on reported claims
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	
2014	$ 199,575	$ 202,526	$ 204,240	$ 200,138	$ 198,893	$ 196,747	$ 187,245	$ 183,101	$ 189,047	$ 193,578	$ 14,361
2015		214,346	214,689	215,633	215,461	213,256	213,485	203,268	206,204	217,019	22,070
2016			239,971	245,286	250,247	253,525	263,195	267,241	274,615	315,793	46,678
2017				275,306	270,080	279,262	287,818	297,380	306,648	343,290	62,419
2018					264,003	268,812	274,110	286,876	307,032	352,697	72,183
2019						263,522	272,513	274,393	272,905	331,729	103,836
2020							283,606	284,216	278,743	306,011	148,977
2021								304,160	311,735	346,161	185,421
2022									347,387	343,773	232,850
2023										275,232	241,263
									Total	$ 3,025,283	

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance liability

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance — For the years ended December 31,									
	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 7,075	$ 28,652	$ 48,397	$ 70,069	$ 89,328	$ 109,859	$ 129,802	$ 137,103	$ 148,342	$ 156,421
2015		7,269	27,451	54,486	80,822	108,857	130,767	141,519	151,919	166,842
2016			11,868	37,666	69,445	111,698	142,837	166,645	189,536	216,534
2017				12,449	42,144	78,574	120,747	158,653	193,274	224,655
2018					19,357	49,938	85,207	127,946	166,378	207,016
2019						19,311	45,269	79,728	120,266	159,068
2020							16,940	49,059	82,389	119,678
2021								10,931	58,540	99,228
2022									18,066	52,197
2023										15,003
									Total	1,416,642
									All outstanding liabilities before 2014, net of reinsurance	130,039
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 1,738,680

Reinsurance liability

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
4.5%	9.8%	10.8%	12.2%	11.1%	10.0%	7.9%	5.7%	6.4%	4.2%

Reinsurance Run-off lines

Run-off lines include catastrophe, property, and engineering lines of business.

The catastrophe line of business provides protection for most catastrophic losses that are covered in the underlying insurance policies written by the Company's cedants. The underlying policies principally cover property-related exposures but other exposures including worker's compensation and personal accident are also covered. The principal perils covered by policies in this portfolio include hurricane and windstorm, earthquake, flood, tornado, hail and fire. In some instances, terrorism may be a covered peril or the only peril. This business is written on a proportional and an excess of loss basis. The Company exited this line of business in June 2022.

The property line of business provides protection for property damage and related losses resulting from natural and man-made perils that are covered in underlying personal and commercial lines insurance policies written by the Company's cedants. The predominant exposure is to property damage, but other risks, including business interruption and other non-property losses, may also be covered when arising from a covered peril. The most significant perils covered by policies in this portfolio include windstorm, tornado and earthquake, but other perils such as freezes, riots, floods, industrial explosions, fires, hail and a number of other loss events are also included. This business is written on a proportional and excess of loss basis. The Company exited this line of business in June 2022.

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

The engineering line of business provides protection for all types of construction risks and risks associated with erection, testing and commissioning of machinery and plants during the construction stage. This line of business also includes cover for losses arising from operational failures of machinery, plant and equipment, and electronic equipment as well as business interruption. The Company exited this line of business in 2020.

In general, reporting and payment patterns are relatively short although they can be volatile due to the incidence of catastrophe events. Losses from engineering exposures tend to develop slower than the other reinsurance run-off lines of business.

Reinsurance run-off

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										At December 31, 2023
	For the years ended December 31,										
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023	Total of incurred-but-not-reported liabilities plus expected development on reported claims
2014	$ 242,347	$ 246,616	$ 236,768	$ 227,865	$ 224,135	$ 223,970	$ 219,953	$ 219,748	$ 218,896	$ 219,012	$ 201
2015		267,709	256,648	256,665	247,377	246,266	251,245	249,050	247,183	244,790	475
2016			286,264	285,973	282,705	277,349	280,836	281,204	281,137	274,291	2,838
2017				705,205	702,378	740,074	741,278	739,258	729,812	722,172	19,886
2018					523,351	614,222	628,722	614,573	600,516	600,640	15,506
2019						448,745	432,299	411,886	395,134	387,944	17,304
2020							520,537	553,538	548,846	553,124	41,243
2021								430,820	441,530	438,082	39,301
2022									265,797	225,697	47,820
2023										64,191	28,272
									Total	$ 3,729,943	

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance run-off

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014 unaudited	2015 unaudited	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023
2014	$ 49,217	$ 136,404	$ 180,580	$ 197,284	$ 202,114	$ 206,234	$ 203,726	$ 210,435	$ 211,708	$ 213,063
2015		46,199	119,103	178,596	203,661	213,978	218,469	232,671	234,318	235,258
2016			65,343	141,975	201,290	232,366	246,602	253,543	258,939	257,802
2017				163,254	417,693	528,640	586,833	611,106	646,826	657,803
2018					116,816	331,848	427,126	479,911	526,746	548,005
2019						54,985	214,066	274,503	310,612	335,546
2020							105,245	240,193	324,105	392,613
2021								87,860	235,617	302,383
2022									50,250	103,881
2023										22,862
									Total	3,069,216
									All outstanding liabilities before 2014, net of reinsurance	37,075
									Liabilities for claims and claim adjustment expenses, net of reinsurance	$ 697,802

Reinsurance run-off

Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
21.8%	32.4%	17.9%	9.7%	4.9%	2.9%	2.1%	1.1%	0.5%	0.6%

8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reconciliation of Loss Development Tables to Consolidated Balance Sheet

The following table reconciles the reserve for losses and loss expenses at December 31, 2023, included in the loss development tables to the reserve for losses and loss expenses reported in the consolidated balance sheet:

Reconciliation of the disclosure of incurred and paid claims development to the liability for unpaid claims and claim adjustment expenses

	At December 31, 2023		
	Net outstanding liabilities	Reinsurance recoverable on unpaid claims	Gross outstanding liabilities
Insurance segment			
Property	$ 662,936	$ 402,222	$ 1,065,158
Accident and health	114,493	3,006	117,499
Marine and aviation	678,482	278,215	956,697
Cyber	322,071	430,627	752,698
Professional lines	1,930,348	1,442,546	3,372,894
Credit and political risk	125,355	35,191	160,546
Liability	1,332,734	1,885,232	3,217,966
Total insurance segment	5,166,419	4,477,039	9,643,458
Reinsurance segment			
Accident and health	194,150	49,314	243,464
Agriculture	147,622	8,343	155,965
Marine and aviation	138,264	33,185	171,449
Professional lines	1,054,117	370,345	1,424,462
Credit and surety	278,501	103,174	381,675
Motor	1,020,952	315,344	1,336,296
Liability	1,738,680	690,141	2,428,821
Run-off lines	697,802	276,198	974,000
Total reinsurance segment	5,270,088	1,846,044	7,116,132
Total	$ 10,436,507	$ 6,323,083	16,759,590
Unallocated claims adjustment expenses			183,260
Foreign exchange and other[1]			12,442
Ceded reserves related to retroactive transactions			(521,274)
Total liability for unpaid claims and claims adjustment expense			$ 16,434,018

(1) Non-U.S. dollar denominated loss data is converted to U.S dollar at the rates of exchange in effect at the balance sheet date for material underlying currencies. Fluctuations in currency exchange rates may cause material shifts in loss development. Reserves for losses and loss expenses disclosed in the consolidated balance sheets are also remeasured using rates of exchange in effect at the balance sheet date.

9. REINSURANCE

In the normal course of business, the Company purchases treaty and facultative reinsurance protection to limit ultimate losses and reduce loss aggregation risk.

Facultative reinsurance provides cover for all or a portion of the losses incurred for a single policy and the Company separately negotiates each facultative contract.

Treaty reinsurance provides cover for a specified type or category of risks. The Company's treaty reinsurance agreements provide this cover on either an excess of loss or a proportional basis. Excess of loss covers provide a contractually set amount of coverage after a specified loss amount has been reached. These treaties can provide cover for a number of lines of business within one contract. Under proportional reinsurance, the Company cedes an agreed percentage of the premiums and the losses and loss expenses on the policies it underwrites. These treaties provide the Company with a specified percentage of coverage from the first dollar of loss.

All of these reinsurance contracts provide the Company with the right to recover a specified amount of losses and loss expenses from reinsurers. To the extent that reinsurers do not meet their obligations under these agreements due to solvency issues, contractual disputes over contract language or coverage and/or other reasons, the Company remains liable. The Company predominantly cedes its business to reinsurers rated A- or better by A.M. Best.

The following table presents gross and net premiums written and earned:

Year ended December 31,	**2023**		**2022**		**2021**	
	Premiums written	**Premiums earned**	**Premiums written**	**Premiums earned**	**Premiums written**	**Premiums earned**
Gross	**$ 8,356,525**	**$ 7,973,577**	$ 8,214,595	$ 7,936,382	$ 7,685,984	$ 7,281,709
Ceded	**(3,254,200)**	**(2,889,796)**	(2,951,539)	(2,776,056)	(2,759,360)	(2,571,859)
Net	**$ 5,102,325**	**$ 5,083,781**	$ 5,263,056	$ 5,160,326	$ 4,926,624	$ 4,709,850

For the year ended December 31, 2023, the Company recognized ceded losses and loss expenses of $1,754 million (2022: $1,754 million; 2021: $1,782 million).

At December 31, 2023, the Company's allowance for expected credit losses was $37 million (2022: $31 million; 2021: $30 million).

10. DEBT AND FINANCING ARRANGEMENTS

a) Debt

The following table summarizes the Company's debt:

Year ended December 31,	2023	2022
5.150% Senior Notes	**$ 246,789**	$ 246,708
4.000% Senior Notes	**348,389**	348,020
3.900% Senior Notes	**297,076**	296,615
Junior Subordinated Notes	**421,460**	420,971
Total Debt	**$ 1,313,714**	$ 1,312,314

The tables below provide the key terms of the Company's debt:

Description	Issuance Date	Aggregate Principal	Issue Price	Net Proceeds	Maturity Date
5.150% Senior Notes	March 13, 2014	$ 250,000	99.474 %	$ 246,000	April 1, 2045
4.000% Senior Notes	December 6, 2017	$ 350,000	99.780 %	$ 347,000	December 6, 2027
3.900% Senior Notes	June 19, 2019	$ 300,000	99.360 %	$ 296,000	July 15, 2029
Junior Subordinated Notes	December 10, 2019	$ 425,000	99.000 %	$ 420,750	January 15, 2040

Description	Interest Rate	Interest Payments Due
5.150% Senior Notes	5.150 %	Semi-annually in arrears on April 1 and October 1 of each year
4.000% Senior Notes	4.000 %	Semi-annually in arrears on June 6 and December 6 of each year
3.900% Senior Notes	3.900 %	Semi-annually in arrears on January 15 and July 15 of each year
Junior Subordinated Notes(1)	4.900 %	Semi-annually on January 15 and July 15 of each year

(1) The Junior Subordinated Notes accrue interest from the date of issuance to, but excluding, January 15, 2030 (the "Par Call Date") at the fixed rate of 4.900% and from, and including, the Par Call Date, at a rate equal to the Five-Year Treasury Rate as of the Reset Interest Determination Date, plus 3.186%. Interest on the Junior Notes is payable semi-annually on January 15 and July 15 of each year, beginning on July 15, 2020.

5.150% Senior Notes

The 5.150% Senior Notes are ranked as unsecured senior obligations of AXIS Specialty Finance PLC, a 100% owned finance subsidiary. AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance PLC under the 5.150% Senior Notes. AXIS Capital's obligations under this guarantee are unsecured senior obligations and rank equally with all other senior obligations of AXIS Capital.

4.000% Senior Notes

The 4.000% Senior Notes are ranked as unsecured senior obligations of AXIS Specialty Finance PLC, a 100% owned finance subsidiary. AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance PLC under the 4.000% Senior Notes. AXIS Capital's obligations under this guarantee are unsecured senior obligations and rank equally with all other senior obligations of AXIS Capital.

3.900% Senior Notes

The 3.900% Senior Notes are ranked as unsecured senior obligations of AXIS Specialty Finance LLC, a 100% owned finance subsidiary. AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance LLC under the

10. DEBT AND FINANCING ARRANGEMENTS (CONTINUED)

3.900% Senior Notes. AXIS Capital's obligations under this guarantee are unsecured senior obligations and rank equally with all other senior obligations of AXIS Capital.

The Company has the option to redeem the Senior Notes at any time and from time to time, in whole or in part, at a "make-whole" redemption price, which is equal to the greater of the aggregate principal amount or the sum of the present values of the remaining scheduled payments of principal and interest. The related indentures contain various covenants, including limitations on liens on the stock of restricted subsidiaries, restrictions as to the disposition of the stock of restricted subsidiaries and limitations on mergers and consolidations. The Company was in compliance with all the covenants contained in the indentures at December 31, 2023.

Interest expense recognized in relation to the Senior Notes includes interest payable, amortization of the offering discounts and amortization of debt offering expenses. The offering discounts and debt offering expenses are amortized over the period of time during which the Senior Notes are outstanding. For the year ended December 31, 2023, the Company incurred interest expense of $40 million (2022: $40 million, 2021: $40 million).

Junior Subordinated Notes

The 4.900% Fixed-Rate Reset Junior Notes are ranked as unsecured junior subordinated obligations of AXIS Specialty Finance LLC, a 100% owned finance subsidiary. AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance LLC under the Junior Notes. AXIS Capital's obligation under this guarantee is an unsecured junior subordinated obligation and ranks equally with all future unsecured junior subordinated obligations of AXIS Capital, and junior in right of payment to all outstanding and future senior obligations of AXIS Capital.

Interest expense recognized in relation to the Junior Notes includes interest payable and amortization of debt offering expenses. The debt offering expenses are amortized over the period of time during which the Junior Notes are outstanding. For the year ended December 31, 2023, the Company incurred interest expense of $21 million (2022: $21 million).

Scheduled Debt Maturity

The following table provides the scheduled maturity of the Company's debt obligations at December 31, 2023:

Year ended December 31,		
2024	$	—
2025		—
2026		—
2027		350,000
2028		—
After 2028		975,000
Unamortized discount and debt issuance expenses		(11,286)
Total senior notes and notes payable	$	1,313,714

b) Loan Advances made to a Third Party Reinsurer

During 2023, the Company advanced $102 million (2022: $116 million) to a third party reinsurer. This loan is being repaid in a manner consistent with the timing of amounts due to the third party reinsurer under retrocession agreements. At December 31, 2023, $82 million (2022: $80 million) was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. The loan is expected to be repaid in full by February 15, 2026 (2022: February 15, 2025). The loan balance receivable at December 31, 2023, of $80 million (2022: $87 million) is included in loan advances made in the consolidated balance sheets. At December 31, 2023, the Company had committed to advance a further $26 million to the third party reinsurer.

10. DEBT AND FINANCING ARRANGEMENTS (CONTINUED)

Interest on this loan is payable at interest rates between 0.8% and 4.0% (2022: 0.8% and 4.0%). Interest of $1 million (2022: $1 million) related to this loan was received in advance and is included in other liabilities in the consolidated balance sheets and was treated as a non-cash activity in the consolidated statement of cash flows.

c) Letter of Credit Facility

At December 31, 2023, certain of AXIS Capital's operating subsidiaries (the "Participating Subsidiaries") had a $500 million letter of credit facility available from Citibank Europe plc ("Citibank") (the "$500 million Facility"). pursuant to a Master Reimbursement Agreement May 14, 2010, as amended, and Committed Letter of Credit Facility Letter dated December 18, 2015, as amended. (together, the "LOC Facility Documents").

Under the terms of the $500 million Facility, letters of credit to a maximum aggregate amount of $500 million are available for issuance on behalf of the Participating Subsidiaries. These letters of credit are principally used to support the reinsurance obligations of the Participating Subsidiaries. The $500 million Facility is subject to certain covenants, including the requirement to maintain sufficient collateral, as defined in the LOC Facility Documents to cover all of the obligations under the $500 million Facility. Such obligations include contingent reimbursement obligations for outstanding letters of credit and fees payable to Citibank. In the event of default, Citibank may exercise certain remedies, including the exercise of control over pledged collateral and the termination of the availability of the $500 million Facility to any or all of the Participating Subsidiaries.

On March 27, 2017, the Participating Subsidiaries amended their existing $500 million Facility to include an additional $250 million of secured letter of credit capacity (the "$250 million Facility"). Under the terms of the amended $750 million Facility, letters of credit to a maximum aggregate amount of $250 million are available for issuance on behalf of the Participating Subsidiaries once the $500 million Facility has been fully utilized.

On March 31, 2021, the Participating Subsidiaries amended their existing secured $750 million Facility to reduce the utilization capacity available under the $250 million Facility to $150 million, reducing the maximum aggregate utilization capacity of the credit facility from $750 million to $650 million.

On March 31, 2023, the $150 million secured letter of credit facility expired.

On December 29, 2023, the $500 million Facility was amended to extend the tenors of issuable letters of credit (i) denominated in a currency other than Australian or New Zealand dollars to March 31, 2025 and (ii) denominated in either Australian dollars or New Zealand dollars to March 31, 2026.

At December 31, 2023, letters of credit outstanding under the LOC Facility were $325 million (2022: $362 million). At December 31, 2023, the Participating Subsidiaries were in compliance with all LOC Facility covenants.

11. FEDERAL HOME LOAN BANK ADVANCES

The Company's subsidiaries, AXIS Insurance Company and AXIS Surplus Insurance Company, are members of the Federal Home Loan Bank of Chicago ("FHLB").

Members may borrow from the FHLB at competitive rates subject to certain conditions. At December 31, 2023, the companies had admitted assets of approximately $3 billion (2022: $3 billion) which provides borrowing capacity of up to approximately $759 million (2022: $750 million). Conditions of membership include maintaining sufficient collateral deposits for funding, a requirement to maintain member stock at 0.4% of mortgage-related assets at December 31st of the prior year, and a requirement to purchase additional member stock of 2.0% or 4.5% of any amount borrowed.

At December 31, 2023, the Company had $86 million (2022: $81 million) of borrowings under the FHLB program, with maturities in 2024 and interest payable at interest rates between 5.6% and 5.9% (2022: 2.3% and 4.7%).

For the year ended December 31, 2023, the Company incurred interest expense of $5 million (2022: $1 million). The borrowings under the FHLB program are secured by cash and investments with a fair value of $95 million (2022: $91 million).

12. COMMITMENTS AND CONTINGENCIES

a) Concentrations of Credit Risk

Credit Risk Aggregation

The Company monitors and manages the aggregation of credit risk on a group-wide basis allowing it to consider exposure management strategies for individual companies, countries, regions, sectors and any other relevant inter-dependencies. The Company's credit exposures are aggregated based on the origin of risk. Credit risk aggregation is also managed through minimizing overlaps in underwriting, financing and investing activities. As part of its credit aggregation framework, the Company also assigns aggregate credit limits by country and by single counterparty (or parent of affiliated counterparties). These limits are based on and adjusted for a variety of factors including the prevailing economic environment and the nature of the underlying credit exposures.

The Company's credit aggregation measurement and reporting process is facilitated by its credit risk exposure database, which contains relevant information on counterparty details and credit risk exposures. The database is accessible by management throughout the Company, therefore providing transparency to allow for the implementation of active exposure management strategies. The Company also licenses third-party tools to provide credit risk assessments. The Company monitors all its credit aggregations and, where appropriate, adjusts its internal risk limits and/or takes specific actions to reduce our risk exposures.

The assets that potentially subject the Company to concentrations of credit risk consist principally of cash and investments, reinsurance recoverable on unpaid and paid claims, and insurance and reinsurance premiums balances receivable, as described below:

(i) Cash and Investments

In order to mitigate concentration and operational risks related to cash and cash equivalents, the Company limits the maximum amount of cash that can be deposited with a single counterparty and limits acceptable counterparties based on current rating, outlook and other relevant factors.

The Company's fixed maturities portfolio, which represents approximately $12.9 billion or 43% of its total assets, is exposed to potential losses arising from the diminished creditworthiness of issuers of bonds. The Company's investment portfolio is managed by external investment managers in accordance with its investment guidelines. The Company limits credit risk through diversification and issuer exposure limits graded by ratings and, with respect to custodians, through contractual and other legal remedies. Excluding Government and agency securities, the Company limits its concentration of credit risk to any single corporate issuer to 1% of its investment grade fixed maturities portfolio for securities rated A- or above and less than 1% of its investment grade fixed maturities portfolio for securities rated below A-.

At December 31, 2023, the Company was in compliance with these limits.

(ii) Reinsurance Recoverable on Unpaid and Paid Losses and Loss Expenses

The Company is exposed to the credit risk associated with reinsurance recoverable on unpaid and paid losses and loss expenses to the extent that any of its reinsurers fail to meet their obligations under reinsurance contracts. To help mitigate this risk, the Company's purchase of reinsurance is subject to financial security requirements specified by its Reinsurance Security Committee. This Committee maintains a list of approved reinsurers, performs credit risk assessments for potential new reinsurers, regularly monitors approved reinsurers with consideration for events which may have a material impact on their creditworthiness, recommends counterparty tolerance levels for different types of ceded business and monitors concentrations of credit risk. This assessment considers a wide range of individual attributes, including a review of the counterparty’s financial strength, industry position and other qualitative factors. Generally, the Committee requires that reinsurers who do not meet specified requirements provide collateral.

At December 31, 2023, the three largest balances by reinsurer accounted for 14%, 9% and 4% (2022: 13%, 9% and 6%) of reinsurance recoverable on unpaid and paid losses and loss expenses.

12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

At December 31, 2023, 83.1% (2022: 81.8%) of the Company's reinsurance recoverable on unpaid and paid losses and loss expenses were collectible from reinsurers rated the equivalent of A- or better by A.M. Best.

(iii) Insurance and Reinsurance Premium Balances Receivable

The diversity of the Company's client base limits credit risk associated with its insurance and reinsurance premium balances receivable. In addition, for insurance contracts the Company has contractual rights to cancel coverage for non-payment of premiums and for reinsurance contracts the Company has contractual rights to offset premium balances receivable against corresponding payments for losses and loss expenses.

Brokers and other intermediaries collect premiums from customers on behalf of the Company. The Company has procedures in place to manage and monitor credit risk from intermediaries with a focus on day-to-day monitoring of the largest positions.

These contractual rights contribute to the mitigation of credit risk, together with the monitoring of aged premium balances receivable. In light of these mitigating factors and considering that a significant portion of premium balances receivable are not currently due based on the terms of the underlying contracts, the Company does not utilize specific credit quality indicators to monitor its premium balances receivable.

At December 31, 2023, the Company recorded an allowance for credit losses expected to be recognized over the life of the premium balances receivable of $12 million (2022: $10 million).

For the year ended December 31, 2023, bad debt expense was $2 million (2022: $nil; 2021: $nil).

b) Brokers

The Company produces its business through brokers and direct relationships with insurance companies.

For the year ended December 31, 2023 and 2022, three brokers accounted for 38% and 43% of gross premiums written, respectively. Aon plc accounted for 15% (2022: 17%), Marsh & McLennan Companies Inc. accounted for 14% (2022: 17%), and Arthur J. Gallagher & Co. accounted for 9% (2022: 9%).

For the years ended December 31, 2021, three brokers accounted for 45% of gross premiums written. Marsh & McLennan Companies Inc. accounted for 18%, Aon plc accounted for 17%, and Willis Tower Watson plc accounted for 10%.

No other broker and no single insured or reinsured accounted for more than 10% of gross premiums written in any of the last three years.

c) Reinsurance Purchase Commitment

In the normal course of business, the Company purchases reinsurance and retrocessional (collectively referred to as "reinsurance") protection for its insurance and reinsurance business. Minimum reinsurance premiums are contractually due in advance on a quarterly basis. At December 31, 2023, the Company had outstanding reinsurance purchase commitments of $6 million (2022: $11 million), all of which is due before June 30, 2025. Actual payments under the reinsurance contracts will depend on the underlying subject premium and may exceed the minimum reinsurance premiums.

d) Legal Proceedings

From time to time, the Company is subject to routine legal proceedings, including arbitrations, arising in the ordinary course of business. These legal proceedings generally relate to claims asserted by or against the Company in the ordinary course of its insurance or reinsurance operations. Estimated amounts payable related to these proceedings are included in reserve for losses and loss expenses in the Company's consolidated balance sheets. The Company is not party to any material legal proceedings arising outside the ordinary course of business.

12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

e) Investments

At December 31, 2023, the Company has $502 million (2022: $524 million) of unfunded investment commitments related to its other investment portfolio, which are callable by investment managers (refer to Note 5(e) '*Investments*'). At December 31, 2023 the Company has $10 million (2022: $25 million) of unfunded investment commitments to purchase commercial mortgage loans and $16 million (2022: $20 million) of unfunded investment commitments to purchase corporate debt.

f) Funds at Lloyd's

The Company operates in the Lloyd’s market through its corporate members, AXIS Corporate Capital UK Limited and AXIS Corporate Capital UK II Limited, which provide 70% and 30%, respectively of Syndicate 1686's capital support. Lloyd’s sets capital requirements for corporate members annually through the application of a capital model that is based on regulatory rules pursuant to Solvency II.

The capital provided to support underwriting or FAL may be satisfied by cash, certain investments and letters of credit provided by approved banks.

At December 31, 2023, investments and cash of $893 million (2022: $749 million) were restricted to satisfy the Company's FAL requirements (refer to Note 5 *'Investments'* and Note 22 '*Statutory Financial Information'*).

13. LEASES

In the ordinary course of business, the Company renews and enters into new leases for office property and equipment, which expire at various dates.

At the lease inception date, the Company assesses whether a contract is or contains a lease. At the commencement date, the Company determines the classification of each separate lease component as either a finance lease or an operating lease. The Company's leases are all currently classified as operating leases. For operating leases that have a lease term of more than 12 months, the Company recognizes a lease liability and a right-of-use asset in the Company's consolidated balance sheets at the present value of the lease payments at the lease commencement date.

At the commencement date, the Company determines lease terms by assuming the exercise of those renewal options that are deemed to be reasonably certain. The exercise of lease renewal options is at the sole discretion of the Company.

As the lease contracts generally do not provide an implicit discount rate, the Company uses its incremental borrowing rate based on information available at the commencement date to determine the present value of lease payments. The incremental borrowing rate is based on a borrowing with a term that is similar to the term of the associated lease. The Company has made an accounting policy election not to include renewal, termination, or purchase options that are not reasonably certain of exercise when determining the term of the borrowing.

The Company’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Operating lease rentals are expensed on a straight-line basis over the life of the lease beginning on the commencement date.

The following table presents the Company’s total lease expense and the cash flows arising from lease transactions:

Year ended December 31,	2023	2022	2021
Lease cost:			
Operating lease expense	**$ 21,499**	$ 20,611	$ 21,864
Short-term lease expense[(1)]	**2,291**	813	1,127
Sublease income[(2)]	**(4,531)**	(3,423)	(3,116)
Total lease expense	**$ 19,259**	$ 18,001	$ 19,875
Other information:			
Operating cash outflows from operating leases	**$ 20,190**	$ 22,932	$ 22,726
Right-of-use assets obtained in exchange for new operating lease liabilities[(3)]	**$ 34,988**	$ 6,514	$ (1,739)
Weighted-average remaining lease term - operating leases[(4)]	**9.8 years**	9.9 years	10.0 years
Weighted-average discount rate - operating lease[(5)]	**4.4%**	4.1 %	4.1 %

(1) Short-term lease expense is recognized on a straight-line basis over the lease term.
(2) Sublease income largely relates to office properties in New York and Chicago.
(3) In 2021, the Company modified a lease agreement to reflect a reduction in the floor space it occupies in its office property in Zurich.
(4) Weighted-average remaining lease term was calculated on the basis of the remaining lease term and the lease liability balance for each lease at the reporting date.
(5) Weighted-average discount was calculated on the basis of the discount rate that was used to calculate the lease liability balance for each lease at the reporting date and the remaining balance of the lease payments for each lease at the reporting date.

13. LEASES (CONTINUED)

The following table presents the scheduled maturity of the Company's operating lease liabilities at December 31, 2023:

Year ended December 31,		Expected cash flows
2024	$	17,543
2025		18,122
2026		15,767
2027		13,519
2028		12,691
Later years		74,852
Discount		(29,393)
Total discounted operating lease liabilities	**$**	**123,101**

The following table presents the scheduled maturity of the Company's operating lease liabilities at December 31, 2022:

Year ended December 31,		Expected cash flows
2023	$	19,774
2024		13,725
2025		13,148
2026		11,052
2027		9,052
Later years		58,516
Discount		(22,690)
Total discounted operating lease liabilities	**$**	**102,577**

14. EARNINGS PER COMMON SHARE

The following table presents a comparison of earnings (loss) per common share and earnings (loss) per diluted common share:

At and year ended December 31,	2023	2022	2021
Earnings per common share			
Net income	**$ 376,292**	$ 223,083	$ 618,609
Less: Preferred share dividends	**30,250**	30,250	30,250
Net income available to common shareholders	**$ 346,042**	$ 192,833	$ 588,359
Weighted average common shares outstanding	**85,142**	84,864	84,707
Earnings per common share	**$ 4.06**	$ 2.27	$ 6.95
Earnings per diluted common share			
Net income available to common shareholders	**$ 346,042**	$ 192,833	$ 588,359
Weighted average common shares outstanding	**85,142**	84,864	84,707
Share-based compensation plans	**870**	805	584
Weighted average diluted common shares outstanding	**86,012**	85,669	85,291
Earnings per diluted common share	**$ 4.02**	$ 2.25	$ 6.90
Weighted average anti-dilutive shares excluded from the dilutive computation	**405**	324	656

15. SHAREHOLDERS' EQUITY

a) Common Shares

The Company's authorized share capital is 800,000,000 common shares, par value of $0.0125 per share.

The following table presents changes in common shares issued and outstanding:

Year ended December 31,	2023	2022	2021
Shares issued, balance at beginning of year	**176,580**	176,580	176,580
Shares issued	**—**	—	—
Total shares issued at end of year	**176,580**	176,580	176,580
Treasury shares, balance at beginning of year	**(91,912)**	(91,806)	(92,227)
Shares repurchased	**(398)**	(897)	(205)
Shares reissued	**1,016**	791	626
Total treasury shares at end of year	**(91,294)**	(91,912)	(91,806)
Total shares outstanding	**85,286**	84,668	84,774

15. SHAREHOLDERS' EQUITY (CONTINUED)

Treasury Shares

On December 7, 2023, the Company's Board of Directors renewed its authorization for the repurchase of up to $100 million of the Company's common shares, effective January 1, 2024, through December 31, 2024.

The following table presents common shares repurchased from shares held in Treasury:

Year ended December 31,	2023	2022	2021
In the open market: (1)			
Total shares	**—**	634	—
Total cost	**$ —**	$ 34,987	$ —
Average price per share(2)	**$ —**	$ 55.22	$ —
From employees:(3)			
Total shares	**398**	263	205
Total cost	**$ 23,596**	$ 13,994	$ 10,242
Average price per share(2)	**$ 59.15**	$ 53.13	$ 49.93
Total shares repurchased:			
Total shares	**398**	897	205
Total cost	**$ 23,596**	$ 48,981	$ 10,242
Average price per share(2)	**$ 59.15**	$ 54.61	$ 49.93

(1) Shares were repurchased pursuant to the Company's Board-authorized share repurchase program announced in December 2021, effective January 1, 2022 through to December 31, 2022.
(2) Calculated using whole numbers.
(3) Shares are repurchased from employees to satisfy personal withholding tax liabilities that arise on the vesting of share-settled restricted stock units.

b) Preferred Shares

Series E Preferred Shares

On November 7, 2016, the Company issued $550 million of 5.50% Series E preferred shares, par value $0.0125 per share, with a liquidation preference of $2,500 per share. The Company could redeem the Series E preferred shares on or after November 7, 2021 at a redemption price of $2,500 per share. Dividends on the Series E preferred shares are non-cumulative. Holders of the Series E preferred shares are entitled to receive, only when, as and if declared by the Board of Directors, non-cumulative cash dividends from the original issue date, quarterly in arrears on the fifteenth day of January, April, July and October of each year, commencing on January 15, 2017. To the extent declared, dividends accumulate, with respect to each dividend period, in an amount per share equal to 5.50% of the liquidation preference per annum.

15. SHAREHOLDERS' EQUITY (CONTINUED)

Dividends

The following table presents dividends declared and paid related to the Company's common and preferred shares:

	Per share data		
	Dividends declared	Dividends paid in year of declaration	Dividends paid in year following declaration
Year ended December 31, 2023			
Common shares	**$ 1.76**	**$ 1.32**	**$ 0.44**
Series E preferred shares	**$ 137.50**	**$ 103.13**	**$ 34.38**
Year ended December 31, 2022			
Common shares	$ 1.73	$ 1.29	$ 0.44
Series E preferred shares	$ 137.50	$ 103.13	$ 34.38
Year ended December 31, 2021			
Common shares	$ 1.69	$ 1.26	$ 0.43
Series E preferred shares	$ 137.50	$ 103.13	$ 34.38

16. RETIREMENT PLANS

The Company maintains defined contribution plans to provide retirement benefits to eligible employees. Contributions to the plans, which are managed externally, are based on eligible compensation.

For eligible U.S. employees, the Company provides a non-qualified deferred compensation plan that enables employees to make contributions to the plan that are in excess of those permitted under the Company's 401(k) Plan. In addition, employees are permitted to make additional contributions from any bonus received and to benefit from discretionary employer contribution to the Plan.

For the year ended December 31, 2023, total pension expenses were $35 million (2022: $34 million and 2021: $34 million) for the above retirement benefit.

17. SHARE-BASED COMPENSATION

In May 2017, shareholders approved the establishment of the AXIS Capital Holdings Limited 2017 Long-Term Equity Compensation Plan (the "2017 Plan"). The 2017 Plan provides for, among other things, the issuance of restricted shares, restricted stock units (share-settled awards and cash-settled awards), performance units (share-settled awards and cash-settled awards), stock options, stock appreciation rights and other equity-based awards to the Company's employees and directors.

The 2017 Plan authorizes the issuance of a total of 3,400,000 common shares. On May 7, 2021, at the Annual General Meeting of Shareholders of the Company, the Company's shareholders approved an amendment to the Company's 2017 Plan to increase by 1,600,000 the number of common shares authorized for issuance under the Plan. On May 4, 2023, at the Annual General Meeting of Shareholders of the Company, the Company's shareholders approved an amendment to the Company's 2017 Plan to increase by 1,125,000 the number of common shares authorized for issuance under the Plan.

At December 31, 2023, 2,864,183 equity-based awards remained available for grant pursuant to the 2017 Plan.

Restricted Stock Units - Share-Settled

The grant date fair value of share-settled restricted stock units granted pursuant to the 2017 Plan is established at the fair market value of the Company's common shares at the date of grant. These awards either cliff vest at the end of a three year period, vest in accordance with a three year graded vesting schedule in three annual installments beginning on the grant date, or vest in accordance with a four year graded vesting schedule in four annual installments beginning on the grant date.

Restricted Stock Units - Cash-Settled

The grant date fair value of cash-settled restricted stock units granted pursuant to the 2017 Plan is established at the fair market value of the Company's common shares at the date of grant. These awards are liability awards and generally cliff vest at the end of a three year period, or vest in accordance with a four year graded vesting schedule in four annual installments beginning on the grant date.

Performance Restricted Stock Units - Share-Settled

Performance restricted stock units granted pursuant to the 2017 Plan represent the right to receive a specified number of common shares in the future, based on the achievement of established performance criteria and continued service during the applicable performance period.

The grant date fair value of performance restricted stock units granted in 2023, 2022 and 2021 were measured on the grant date using a Monte Carlo simulation model.

The grant date fair values of performance restricted stock units granted prior to 2021 was established at the fair market value of the Company's common shares at the date of grant.

Awards granted pursuant to the 2017 Plan generally cliff vest at the end of a three year period. Compensation expense is recognized on a straight-line basis over the applicable requisite service period. Awards granted prior to 2021 are subject to periodic adjustment based on the achievement of established performance criteria during the applicable performance period.

Acceleration Provisions

Grants provided under the 2017 Plan generally allow for accelerated vesting provisions on the employee's death, permanent disability, or certain terminations following a change in control of the Company occurring within two years of the change in control event. Notwithstanding these vesting provisions, the Compensation Committee of the Company's Board of Directors has broad authority to accelerate vesting at its discretion.

17. SHARE-BASED COMPENSATION (CONTINUED)

Retirement Plan

In 2016, the Company established the AXIS Executive Restricted Stock Unit Retirement Plan (the "Plan") to reward certain eligible long-term employees of the Company for their dedicated service. The Plan was implemented in 2017. Subject to certain conditions being met, eligible employees do not forfeit all of their outstanding share-settled restricted stock units, share-settled performance restricted stock units or cash-settled restricted stock units on or following their retirement. Absent the Plan, outstanding restricted stock units are generally forfeited on termination of employment.

a) Performance Restricted Stock Units

Performance Restricted Stock Units granted in 2023, 2022 and 2021

Performance restricted stock units granted in 2023, 2022 and 2021 include a market condition which is the Company’s total shareholder return relative to its peer group ("Relative TSR") over the performance period. Relative TSR is calculated in accordance with the terms of the applicable award agreement. If performance goals are achieved, these awards will cliff vest at the end of a three-year performance period within a range of 0% to 200% of target. Performance restricted stock units granted in 2023, 2022 and 2021 were share-settled awards.

Performance Restricted Stock Units granted in the three months ended March 31, 2023 in relation to senior leadership transition

Share-settled performance restricted stock units granted in the three months ended March 31, 2023 to one senior leader include a market condition which is the Company’s total shareholder return relative to its peer group ("Relative TSR") over the performance period. Relative TSR is calculated in accordance with the terms of the applicable award agreement. If performance goals are achieved, fifty percent of these awards will vest at the end of a one-year performance period, and the remaining fifty percent of these awards will vest at the end of a three-year vest period within a range of 0% to 200% of target.

Performance Restricted Stock Units granted in the three months ended June 30, 3023 in relation to senior leadership transition

Share-settled performance restricted stock units granted in the three months ended June 30, 2023 to one senior leader include a market condition which is the Company’s total shareholder return's compound annual growth rate ("TSR CAGR") over the performance period. TSR CAGR is calculated in accordance with the terms of the applicable award agreement. If performance goals are achieved, these awards will cliff vest at the end of a three-year performance period within a range of 0% to 200% of target.

17. SHARE-BASED COMPENSATION (CONTINUED)

Valuation assumptions

The fair value of performance restricted stock units granted in 2023, 2022 and 2021 were measured on the grant date using a Monte Carlo simulation model.

The following table provides details of the significant inputs used in the Monte Carlo simulation model:

Year ended December 31,	2023 (1)	2023 (2)	2023 (3)	2022	2021
Expected volatility	**36.24%**	**29.30%**	**30.05%**	**33.44%**	**32.99%**
Expected term (in years)	**3.0**	**1.0**	**3.0**	**3.0**	**3.0**
Expected dividend yield	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
Risk-free interest rate	**3.79%**	**4.61%**	**3.39%**	**1.26%**	**0.17%**

n/a - not applicable
(1) Performance restricted stock units granted in the ordinary course of business
(2) Performance restricted stock units granted in the three months ended March 31, 2023 in relation to senior leadership transition
(3) Performance restricted stock units granted in the three months ended June 30, 2023 in relation to senior leadership transition

Beginning share price: The beginning share price was based on the average closing share price over the 10 trading days preceding and including the start of the performance period. The beginning share price of the awards granted in the three months ended June 30, 2023 to one senior leader was based on the average closing share price over the 30 trading days preceding and including the start of the performance period.

Ending share price: The ending share price was based on the average closing share price over the 10 trading days preceding and including the end of the performance period. The ending share price of the awards granted in the three months ended June 30, 2023 to one senior leader was based on the average closing share price over the 30 trading days preceding and including the end of the performance period.

Expected volatility: The expected volatility was estimated based on the Company's historical share price volatility.

Expected term: Performance for awards granted in 2023 is generally measured from January 1, 2023 to December 31, 2025, with performance for awards granted to one senior leader in the three months ended March 31, 2023 being measured from January 1, 2023 to December 31, 2023, and performance for awards granted to one senior leader in the three months ended June 30, 2023 being measured from May 4, 2023 to May 4, 2026. Performance for awards granted in 2022 is measured from January 1, 2022 to December 31, 2024, and performance for awards for awards granted in 2021 is measured from January 1, 2021 to December 31, 2023.

Expected dividend yield: The expected dividend yield is not applicable to the performance restricted stock units as dividends are paid at the end of the vesting period and do not affect the value of the performance restricted stock units.

Risk-free interest rate: The risk-free rate was estimated based on the yield on a U.S. treasury zero-coupon bond issued with a remaining term equal to the vesting period of the performance restricted stock units.

Compensation expense associated with performance restricted stock units granted in 2023, 2022 and 2021 is determined on the grant date based on the fair value calculated by the Monte Carlo simulation model and is recognized on a straight-line basis over the requisite service period. During the three months ended March 31, 2023, the transition in our senior leadership resulted in a modification of the previously existing vesting terms of the outstanding restricted stock units and performance restricted stock units granted in 2022 and earlier of one senior leader, and a modification of the performance period of that leader's performance restricted stock units granted in 2022. The modifications did not result in incremental compensation expense.

17. SHARE-BASED COMPENSATION (CONTINUED)

Performance Restricted Stock Units granted in 2020 and 2019

Performance restricted stock units granted in 2020 and 2019 and include a market condition which is the Company's total shareholder return relative to its peer group ("Relative TSR") over the performance period. Relative TSR is calculated in accordance with the terms of the applicable award agreement. If performance goals are achieved, these awards will cliff vest at the end of a three-year performance period within a range of 75% to 125% of target. Performance restricted stock units granted in 2020 and 2019 were share-settled awards.

Compensation expense associated with performance restricted stock units granted in 2020 and 2019 is determined based on market value of the Company's common shares measured at the grant date, is recognized on a straight-line basis over the requisite service period and is subject to periodic adjustment based on the achievement of established performance criteria during the performance period.

b) Share-Settled Awards

The following table provides an activity summary of the Company's share-settled restricted stock units:

	Share-Settled Performance Restricted Stock Units		Share-Settled Service Restricted Stock Units	
	Number of restricted stock units	Weighted average grant date fair value	Number of restricted stock units	Weighted average grant date fair value
Nonvested restricted stock units - December 31, 2021	311	$ 54.75	2,062	$ 51.59
Granted	140	68.63	993	56.09
Vested	(100)	54.70	(690)	52.67
Forfeited	(21)	62.26	(248)	53.22
Nonvested restricted stock units - December 31, 2022	**330**	**60.01**	**2,117**	**53.16**
Granted	**122**	**66.13**	**918**	**57.53**
Vested	**(88)**	**63.88**	**(929)**	**53.02**
Forfeited	**(220)**	**58.15**	**(251)**	**54.49**
Nonvested restricted stock units - December 31, 2023	**144**	**$ 65.69**	**1,855**	**$ 55.21**

17. SHARE-BASED COMPENSATION (CONTINUED)

c) Cash-Settled Awards

The following table provides an activity summary of the Company's cash-settled restricted stock units:

	Cash-Settled Service Restricted Stock Units
	Number of restricted stock units
Nonvested restricted stock units - December 31, 2021	215
Granted	—
Vested	(145)
Forfeited	(10)
Nonvested restricted stock units - December 31, 2022	**60**
Granted	—
Vested	**(59)**
Forfeited	**(1)**
Nonvested restricted stock units - December 31, 2023	—

The following table provides additional information related to share-based compensation:

Year ended December 31,		2023		2022		2021
Share-based compensation expense [(1)]	**$**	**57,729**	$	56,136	$	49,415
Tax benefits associated with share-based compensation expense	**$**	**8,819**	$	8,839	$	7,613
Liability for cash-settled restricted stock units [(2)]	$	—	$	4,792	$	9,091
Fair value of restricted stock units vested [(3)]	**$**	**64,156**	$	49,792	$	42,967
Unrecognized share-based compensation expense	**$**	**62,416**	$	74,601	$	80,805
Expected weighted average period associated with the recognition of unrecognized share-based compensation expense		**2.4 years**		2.3 years		2.4 years

(1) Related to share-settled restricted stock units and cash-settled restricted stock units.
(2) Included in other liabilities in the consolidated balance sheets.
(3) Fair value is based on the closing price of the Company's common shares on the vest date.

18. RELATED PARTY TRANSACTIONS

A member of the Company’s Board of Directors, Mr. Charles Davis, is the Chief Executive Officer of Stone Point Capital, LLC ("Stone Point"). In the ordinary course of business, the Company engages SKY Harbor Capital Management, LLC, which is majority-owned by Stone Point's private equity fund Trident V L.P. ("Trident V"), to provide asset management services for certain high yield debt portfolios. For the year ended December 31, 2023, total fees paid to SKY Harbor Capital Management, LLC, were $3 million (2022: $2 million; 2021: $2 million).

In addition, the Company has an investment of $17 million in the Freedom Consumer Credit Fund, LLC - Series B. The manager of this fund is Freedom Financial Asset Management, LLC ("Freedom") which is an indirect subsidiary of Pantheon Partners, LLC ("Pantheon"). A Stone Point private equity fund, Trident VI L.P. ("Trident VI") owns approximately 14.5% of Pantheon. For the year ended December 31, 2023, fees paid to Freedom were $1 million (2022: $2 million; 2021: $3 million).

The Company has an investment of $87 million in Stone Point's private equity fund, Trident VIII L.P. ("Trident VIII") and co-investments of $26 million with Trident VIII. For the year ended December 31, 2023, fees paid to Stone Point in relation to Trident VIII were $2 million (2022: $2 million; 2021: $4 million).

The Company has an investment of $24 million in Stone Point's private equity fund, Trident IX L.P. ("Trident IX"). For the year ended December 31, 2023, fees paid to Stone Point in relation to Trident IX were $1 million (2022: $1 million; 2021: $nil).

The Company has an investment of $43 million with Rialto Real Estate IV-Property ("Rialto") and co-investments of $19 million with Rialto, a fund managed by a portfolio company of Stone Point's private equity fund, Trident VII L.P. ("Trident VII "). For the year ended December 31, 2023, fees paid to Rialto were $2 million (2022: $2 million; 2021: $1 million).

The Company has an investment of $18 million in Stone Point Credit Corporation. For the year ended December 31, 2023, fees paid to Stone Point in relation to Stone Point Credit Corporation were $0.5 million (2022: $0.3 million; 2021: $nil).

The Company has an investment of $18 million in Stone Point Credit Corporation bonds. For the year ended December 31, 2023, the Company earned income of $1 million (2022: $0.6 million) in relation to this bond.

The Company has an investment of $5 million in a syndicated accounts receivable loan for which Sound Point Capital Management LP ("Sound Point"), an affiliate of Stone Point, is the lead originator. For the year ended December 31, 2023, the Company has not paid any fees to Sound Point.

The Company has co-investments of $9 million with Gordon Brothers, which is majority-owned by Trident VII. For the year ended December 31, 2023, fees paid to Gordon Brothers were $0.1 million (2022: $0.1 million).

The Company has an investment of $7 million in a loan to Eagle Point Credit Management LLC ("Eagle Point"), which is majority-owned by Trident IX. For the year ended December 31, 2023, the Company has not paid any fees to Eagle Point.

The Company has an investment of $6 million in cumulative preferred shares of Aspida Holdings Ltd. ("Aspida"). The investment was syndicated to the Company by Stone Point. For the year ended December 31, 2023, the Company has not paid any fees to Aspida.

The Company has an investment of $22 million in Monarch Point Re (refer to Note 5 '*Investments*'), a newly created collateralized reinsurer which is jointly sponsored by the Company and Stone Point. For the year ended December 31, 2023, fees paid to Monarch Point Re were $0.1 million.

The Company's investment portfolio includes certain investments where it is considered to have the ability to exercise significant influence over the operating and financial policies of the investee. Significant influence is generally deemed to exist where the Company has an investment of 20% or more in the common stock of a corporation or an investment greater than 3% to 5% in closed end funds, limited partnerships, LLCs or similar investment vehicles.

At December 31, 2023, the Company has $424 million (2022: $462 million) of investments where it is deemed to have the ability to exercise such significant influence. The Company generally pays management and performance fees to the

18. RELATED PARTY TRANSACTIONS (CONTINUED)

investment managers of these investments. The Company considers all fees paid to the investment managers to be at market rates consistent with negotiated arms-length contracts.

Retrocession Agreement with Monarch Point Re

On September 22, 2023 (the "closing date"), the Company entered into an agreement, with an effective date of January 1, 2023, to retrocede a diversified portfolio of casualty reinsurance business to Monarch Point Re.

The agreement covers losses both on a prospective basis and on a retroactive basis. Therefore, the Company has bifurcated the prospective and retroactive elements of the agreement and is accounting for each element separately.

Retroactive element

Reinsurance premiums of $119 million were allocated to the retroactive element of the agreement which was deemed to have met the established criteria for retroactive reinsurance accounting. At the closing date, the Company recognized acquisition costs of $33 million and a loss expense of $7 million in the consolidated statement of operations associated with the retroactive element of the agreement. In addition, the Company recognized reinsurance recoverable on unpaid losses of $76 million and reinsurance recoverable on paid losses of $4 million in the consolidated balance sheets associated with the retroactive element of the agreement (refer to Note 8 *'Reserve for Losses and Loss Expenses').*

Prospective element

For the year ended December 31, 2023, the Company ceded reinsurance premiums of $287 million and ceded losses of $37 million to Monarch Point Re. In addition, Monarch Point Re paid certain acquisition costs and administrative fees to the Company.

At December 31, 2023, the amount of reinsurance recoverable on unpaid and paid losses was $37 million and the amount of ceded reinsurance payable included in insurance and reinsurance balances payable was $166 million in the consolidated balance sheets.

This transaction was conducted at market rates consistent with negotiated arms-length contracts.

Loan to Monarch Point Re

During 2023, the Company advanced an amount of $297 million to Monarch Point Re. This loan will be repaid in a manner consistent with the timing of amounts due to Monarch Point Re under the retrocession agreement. At December 31, 2023, an amount of $72 million was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. The loan is expected to be repaid in full by May 15, 2025. The loan balance receivable at December 31, 2023 of $225 million is included in loan advances made in the consolidated balance sheets. At December 31, 2023, the Company had committed to advance a further $16 million to Monarch Point Re.

Interest on this loan was payable for the three months ended December 31, 2023 at interest rates between 5.7% and 5.85%. Interest related to this loan was received in advance and is included in other liabilities in the consolidated balance sheets and interest income for this period is included in other insurance related income in the consolidated statement of operations.

Retrocession Agreement with Harrington Re

Harrington and Harrington Re commenced operations in 2016 (refer to Note 5 '*Investments*'). The Company has the ability to exercise significant influence over the operating and financial policies of Harrington and Harrington Re. In the normal course of business, the Company enters into certain reinsurance transactions with Harrington Re.

For the year ended December 31, 2023, the Company ceded reinsurance premiums of $298 million (2022: $324 million; 2021: $283 million) and ceded losses of $229 million (2022: $234 million; 2021: $188 million) to Harrington Re. In addition, Harrington Re paid certain acquisition costs and administrative fees to the Company.

18. RELATED PARTY TRANSACTIONS (CONTINUED)

At December 31, 2023, the amount of reinsurance recoverable on unpaid and paid losses was $933 million (2022: $819 million) and the amount of ceded reinsurance payable included in insurance and reinsurance balances payable was $219 million (2022: $220 million) in the consolidated balance sheets. This transaction was conducted at market rates consistent with negotiated arms-length contracts.

On June 29, 2021, the Company invested $10 million in 7.25% fixed to floating rate, senior unsecured notes due 2031, issued by Harrington.

19. REORGANIZATION EXPENSES

For the year ended December 31, 2023, reorganization expenses were $29 million (2022: $31 million and 2021: $nil).

In 2023, reorganization expenses included impairments of computer software assets and severance costs mainly related to the Company's "How We Work" program which is focused on simplifying and improving the Company's operating structure.

In 2022, reorganization expenses included severance costs and software asset impairments attributable to the Company's exit from catastrophe and property reinsurance lines of business in June.

20. INCOME TAXES

Under current Bermuda law, AXIS Capital's Bermuda subsidiaries are not required to pay any taxes in Bermuda on income or capital gains. The Company has received assurance from the Minister of Finance in Bermuda that, in the event of any taxes being imposed, it will be exempt from taxation in Bermuda until March 2035. Notwithstanding the above, on December 27, 2023 the Bermuda government enacted a corporate income tax which will apply for accounting periods starting on or after January 1, 2025. Importantly, under the Corporate Income Tax Act 2023 of Bermuda, any liability to the tax will apply regardless of any assurances previously provided under the Exempted Undertakings Tax Protection Act 1966 of Bermuda.

AXIS Capital's primary Bermuda subsidiary has an operating branch in Singapore, which is subject to the relevant taxes in that jurisdiction. The Singapore branch is not under examination in that tax jurisdiction but remains subject to examination for tax years 2020 through 2023.

AXIS Capital's U.S. subsidiaries are subject to federal, state and local corporate income taxes, and other taxes applicable to U.S. corporations. The provision for federal income taxes has been determined under the principles of the consolidated tax provisions of the U.S. Internal Revenue Code and regulations. Should the U.S. subsidiaries pay a dividend outside the U.S. group, withholding taxes will apply. AXIS Capital's U.S. subsidiaries are not under examination but remain subject to examination for tax years 2020 through 2023. An Internal Revenue Service ("IRS") examination of the U.S. group was completed in 2023 with respect to tax years 2019 and 2020 and was closed without material adjustments.

In Canada, AXIS Capital's U.S. reinsurance company operates through a branch and its U.S. service company has an unlimited liability company subsidiary based in Canada. The Canadian operations are subject to the relevant taxes in that jurisdiction and remain subject to examination for tax years 2019 through 2023.

AXIS Capital had subsidiaries in Ireland, the U.K., and Brazil in 2023 and AXIS Capital's subsidiaries had branches in the U.K., Switzerland, and Belgium. The Company ceased operations in Dubai in March 2021 and in the Netherlands in December 2021. These subsidiaries and their branches are not under examination but remain subject to examination in all applicable jurisdictions for tax years 2019 through 2023.

In the U.K., the Company operates through a Lloyd's syndicate whose income is subject to tax in the U.K., payable by its corporate members. The income from operations at Lloyd's is also subject to taxes in other jurisdictions in which Lloyd's operates, including the U.S. Under a Closing Agreement between Lloyd's and the IRS, Lloyd's corporate members pay U.S. income tax on U.S. connected income written by Lloyd's syndicates. To the extent that the Lloyd's syndicates incur taxes outside the U.K., they may claim a credit for foreign taxes incurred, limited to the U.K. equivalent tax on the same income.

20. INCOME TAXES (CONTINUED)

The following table provides an analysis of income tax expense (benefit) and net tax assets:

Year ended December 31,	2023	2022	2021
Current income tax expense (benefit)			
U.S.	**$ 12,021**	$ 11,491	$ 35,229
Europe	**32,386**	2,366	(6,082)
Bermuda	**291**	(147)	—
Deferred income tax expense (benefit)			
U.S.	**(24,042)**	(8,147)	(3,369)
Europe	**18,932**	16,474	36,606
Bermuda[(1)]	**(13,272)**	—	—
Total income tax expense (benefit)	**$ 26,316**	$ 22,037	$ 62,384
Net current tax receivables	**$ 78,570**	$ 46,704	$ 27,883
Net deferred tax assets (liabilities)	**72,850**	108,220	12,860
Net tax assets	**$ 151,420**	$ 154,924	$ 40,743

(1) Reflects the recognition of a tax benefit in Bermuda on unrealized investment losses included in other comprehensive income (loss) due to the enactment of corporate income tax that will take effect in 2025.

20. INCOME TAXES (CONTINUED)

Deferred income taxes reflect the tax impact of temporary differences between the carrying amounts of assets and liabilities for financial reporting and income tax purposes. The following table provides details of the significant components of deferred tax assets and liabilities:

At December 31,	2023	2022
Deferred tax assets:		
Discounting of net reserves for losses and loss expenses	**$ 62,316**	$ 52,992
Unearned premiums	**54,104**	56,146
Net unrealized investments losses	**54,395**	71,251
Operating and capital loss carryforwards	**100,907**	152,896
Accruals not currently deductible	**36,407**	42,045
Tax credits	**11,602**	7,619
Other deferred tax assets	**4,149**	8,590
Deferred tax assets before valuation allowance	**323,880**	391,539
Valuation allowance	**(38,711)**	(60,069)
Deferred tax assets net of valuation allowance	**285,169**	331,470
Deferred tax liabilities:		
Deferred acquisition costs	**(27,109)**	(35,211)
Other investment adjustments and impairments	**(7,173)**	(20,068)
Intangible assets	**(49,486)**	(51,993)
Equalization reserves	**(2,726)**	(2,530)
Acquisition adjustments	**(79,466)**	(72,351)
Lloyd's deferred year of account results	**(38,194)**	(34,068)
Other deferred tax liabilities	**(8,165)**	(7,029)
Deferred tax liabilities	**(212,319)**	(223,250)
Net deferred tax assets (liabilities)	**$ 72,850**	$ 108,220

The following table summarizes total operating and capital loss carryforwards and tax credits:

At December 31,	2023	2022
Operating and Capital Loss Carryforwards[(1)]		
Singapore operating loss carryforward	**$ 70,815**	$ 73,769
U.K. operating loss carryforward	**293,533**	415,274
Ireland operating loss carryforward	**78,154**	200,822
Ireland capital loss carryforward	**716**	716
Switzerland operating loss carryforward[(2)]	**123,453**	187,057
Tax Credits[(1)]		
Ireland foreign tax credit	**$ 6,922**	$ 655
U.K. foreign tax credit	**2,605**	2,372
U.S. foreign tax credit[(3)]	**2,074**	4,592

(1) At December 31, 2023, the Singapore, U.K., and Ireland operating and capital loss carryforwards and tax credits can be carried forward
(2) At December 31, 2023, the Swiss net operating losses can be carried forward 7 years of which $123,453 expires 2029.
(3) At December 31, 2023, the U.S. foreign tax credit can be carried back 1 year and carried forward 10 years of which, $2,074 expires 2032.

20. INCOME TAXES (CONTINUED)

The following table shows an analysis of the movement in the Company's valuation allowance:

At December 31,	2023	2022
Income tax expense (benefit):		
Valuation allowance - beginning of year	**$ 39,782**	$ 16,918
Operating loss carryforwards	**(8,713)**	21,724
Foreign tax credit	**4,184**	2,401
U.K. branch assets and other foreign rate differentials	**(3,565)**	(1,261)
Valuation allowance - end of year	**$ 31,688**	$ 39,782
Accumulated other comprehensive income (loss):		
Valuation allowance - beginning of year	**$ 20,287**	$ —
Change in investment - related items	**(13,264)**	20,287
Valuation allowance - end of year	**7,023**	20,287
Total valuation allowance - end of year	**$ 38,711**	$ 60,069

At December 31, 2023 and 2022, the Company had a full valuation allowance on operating loss carryforwards relating to operations in Singapore, Ireland and Switzerland, foreign tax credits available in Ireland and certain other deferred tax assets related to branch operations.

In 2023, the valuation allowance decreased by $21 million. The net gain incurred by the AXIS Re SE, the Irish reinsurance company, resulted in the release of a valuation allowance of $25 million against the net deferred tax assets of AXIS Re SE and AXIS Re Europe, the Swiss branch of the Irish reinsurance company, of which $12 million was released in net income (loss) and $13 million was released in other comprehensive income (loss). A valuation allowance of $2 million was also released against U.S. foreign tax credits that were utilized. A valuation allowance of $6 million was recorded against foreign tax credits held by AXIS Specialty Europe SE.

At December 31, 2023 and 2022, the Company's U.S. operations had a deferred tax asset of $54 million and $71 million, respectively, for the unrealized losses on its fixed maturities that were recorded in other comprehensive income (loss). The Company examined the need for a valuation allowance and after considering all positive and negative evidence concluded a valuation allowance against its net unrealized investment losses in the U.S was not required.

Although realization is not assured, management believes it is more likely than not that the tax benefit of the recorded net deferred tax assets will be realized. In evaluating the Company's ability to recover these tax assets within the jurisdiction from which they arise, it considered all available positive and negative evidence, including historical results, operating loss carry-back potential and scheduled reversals of deferred tax liabilities. The Company believes its U.S. and U.K. operations will produce significant taxable income in future periods and have deferred tax liabilities that will reverse in future periods, such that the Company believes sufficient ordinary taxable income is available to utilize all remaining ordinary deferred tax assets.

A deferred tax liability has not been recorded on undistributed earnings as the U.S. group satisfies the indefinite reversal criteria.

At December 31, 2023 and 2022, there were no unrecognized tax benefits.

20. INCOME TAXES (CONTINUED)

The following table presents the distribution of income before income taxes between domestic and foreign jurisdictions and a reconciliation of the actual income tax rate to the amount computed by applying the effective tax rate of 0% under Bermuda law to income before income taxes:

Year ended December 31,	2023	2022	2021
Income (loss) before income taxes			
Bermuda (domestic)	**$ 213,539**	$ 236,781	$ 431,310
Foreign	**189,067**	8,340	249,686
Total income before income taxes	**$ 402,606**	$ 245,121	$ 680,996
Reconciliation of effective tax rate (% of income before income taxes)			
Expected tax rate	**0.0 %**	0.0 %	0.0 %
Foreign taxes at local expected rates:			
U.S.	**(2.5 %)**	0.2 %	4.8 %
Europe	**11.9 %**	1.9 %	2.0 %
Valuation allowance	**(2.0 %)**	9.5 %	(0.5 %)
Prior year adjustments	**1.3 %**	(0.3) %	0.2 %
Incremental branch taxes	**0.9 %**	(0.4) %	1.5 %
Change in enacted tax rate[(1)]	**(3.3 %)**	(2.2 %)	1.5 %
Other	**0.2 %**	0.3 %	(0.3 %)
Actual tax rate	**6.5 %**	9.0 %	9.2 %

(1) At December 31, 2023, the change in enacted tax rate represents the enactment of the Bermuda Corporate Income Tax Act of 2023 related to unrealized investment losses included in other comprehensive income (loss). At December 31, 2022, the change in enacted tax rate included a change in the UK tax rate from 19% to 25% and in Belgium from 30% to 25%.

21. OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the tax effects allocated to each component of other comprehensive income (loss):

	Before tax amount	Income tax (expense) benefit	Net of tax amount
Year ended December 31, 2023			
Available for sale investments:			
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has not been recognized	**$ 294,933**	**$ (36,993)**	**$ 257,940**
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has been recognized	**11,220**	**(1,637)**	**9,583**
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	**142,324**	**(13,811)**	**128,513**
Unrealized gains (losses) arising during the year, net of reclassification adjustment	**448,477**	**(52,441)**	**396,036**
Foreign currency translation adjustment	**(1,572)**	**—**	**(1,572)**
Total other comprehensive income (loss), net of tax	**$ 446,905**	**$ (52,441)**	**$ 394,464**
Year ended December 31, 2022			
Available for sale investments:			
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has not been recognized	$ (1,171,381)	$ 127,756	$ (1,043,625)
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has been recognized	(73,063)	5,913	(67,150)
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	335,294	(30,369)	304,925
Unrealized gains (losses) arising during the year, net of reclassification adjustment	(909,150)	103,300	(805,850)
Foreign currency translation adjustment	(10,986)	—	(10,986)
Total other comprehensive income (loss), net of tax	$ (920,136)	$ 103,300	$ (816,836)
Year ended December 31, 2021			
Available for sale investments:			
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has not been recognized	$ (310,710)	$ 39,263	$ (271,447)
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has been recognized	81	—	81
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	(94,749)	7,635	(87,114)
Unrealized gains (losses) arising during the year, net of reclassification adjustment	(405,378)	46,898	(358,480)
Foreign currency translation adjustment	621	—	621
Total other comprehensive income (loss), net of tax	$ (404,757)	$ 46,898	$ (357,859)

21. OTHER COMPREHENSIVE INCOME (LOSS) (CONTINUED)

The following table presents details of amounts reclassified from accumulated other comprehensive income (loss) ("AOCI") to net income (loss):

AOCI components	Consolidated statement of operations line item that includes reclassification adjustment	Amounts reclassified from AOCI[1] Year ended December 31, 2023	2022	2021
Unrealized gains (losses) on available for sale investments				
	Other realized gains (losses)	**$ (129,567)**	$ (322,726)	$ 94,771
	Impairment losses	**(12,757)**	(12,568)	(22)
	Total before tax	**(142,324)**	(335,294)	94,749
	Income tax (expense) benefit	**13,811**	30,369	(7,635)
	Net of tax	**$ (128,513)**	$ (304,925)	$ 87,114

(1) Amounts in parentheses are charges to net income (loss).

22. STATUTORY FINANCIAL INFORMATION

The Company's insurance and reinsurance operations are subject to laws and regulations in the jurisdictions in which they operate, the most significant of which include Bermuda, Ireland, and the U.S. In addition, the Company is regulated by Lloyd's. These regulations include certain restrictions on the amount of dividends or other distributions, such as loans or cash advances, available to shareholders without prior approval from insurance regulatory authorities.

The statutory capital and surplus in each of the Company's most significant regulatory jurisdictions is shown in the following table:

At December 31,	Bermuda 2023	Bermuda 2022	Ireland 2023	Ireland 2022	U.S. 2023	U.S. 2022
Required statutory capital and surplus	**$ 1,269,943**	$ 1,261,160	**$ 755,076**	$ 699,203	**$ 739,829**	$ 651,460
Available statutory capital and surplus	**$ 3,170,556**	$ 3,156,955	**$ 1,160,932**	$ 1,099,474	**$ 2,187,371**	$ 1,982,618

Bermuda

Under the Insurance Act 1978, amendments thereto and related regulations of Bermuda (the "Act"), the Company's Bermuda subsidiary, AXIS Specialty Bermuda is required to maintain minimum statutory capital and surplus equal to the greater of a minimum solvency margin ("MSM") and the Enhanced Capital Requirement ("ECR"). The MSM is the greater of $100 million, 50% of net premiums written, 15% of net reserve for losses and loss expenses, and 25% of the ECR. The Company's ECR is calculated based on a standard risk-based capital model developed by the Bermuda Monetary Authority ("BMA"). In 2016, the BMA implemented an Economic Balance Sheet ("EBS") framework which is used as the basis to determine the ECR. At December 31, 2023 and 2022, the required and available statutory capital and surplus were based on this EBS framework.

Under the Act, AXIS Specialty Bermuda is restricted as to the payment of dividends for amounts greater than 25% of the prior year's statutory capital and surplus, whereby an affidavit signed by at least two members of the Board of Directors is required, attesting that any dividend in excess of this amount would not cause the Company to fail to meet its relevant margins. At December 31, 2023, the maximum dividend AXIS Specialty Bermuda could pay, without a signed affidavit, having met minimum levels of statutory capital and surplus requirements, was approximately $730 million (2022: $709 million).

22. STATUTORY FINANCIAL INFORMATION (CONTINUED)

Ireland

Effective January 1, 2016, the Company's Irish subsidiaries, AXIS Specialty Europe and AXIS Re SE, are required to maintain the Minimum Capital Requirement ("MCR") and the Solvency Capital Requirement ("SCR") at all times. The capital requirements are calculated by reference to Solvency II definitions. If an entity falls below the MCR or SCR, the Central Bank of Ireland is authorized to take action to restore the financial position of the Company's Irish subsidiaries. During 2023 and 2022, the Company's Irish subsidiaries were in compliance with these requirements.

The Company's Irish subsidiaries may declare dividends subject to meeting their solvency and capital requirements. The maximum dividend is limited to "excess eligible own funds" which is defined as excess Solvency II capital over the SCR and may also be limited to "profits available for distribution", which is defined as accumulated realized profits less accumulated realized losses and statutory reserves. The Central Bank of Ireland requires the Company's Irish subsidiaries to notify the regulator prior to any distribution being made. The Central Bank of Ireland then has 30 days to request further information from the Company's Irish subsidiaries and where no further communication is received from the regulator the Company's Irish subsidiaries are free to proceed with the dividend distribution. At December 31, 2023, the maximum dividend the Company's Irish subsidiaries could pay, having met their solvency and capital requirements was approximately $28 million (2022: $51 million).

United States

The Company's U.S. operations required statutory capital and surplus is determined using the risk-based capital formula ("RBC"), which is the National Association of Insurance Commissioners' (the "Commissioner") method of measuring the minimum capital appropriate for U.S. reporting entities to support its overall business operations in consideration of its size and risk profile. If a company falls below the authorized control level as determined under the RBC, the Commissioner is authorized to take whatever regulatory actions may be considered necessary to protect policyholders and creditors. The maximum dividend that may be paid by the Company's U.S. insurance subsidiaries is restricted by the regulatory requirements of the domiciliary states. Generally, the maximum dividend that may be paid by each of the Company's U.S. insurance subsidiaries is limited to unassigned surplus (statutory equivalent of retained earnings) and may also be limited to statutory net income, net investment income or 10% of total statutory capital and surplus. At December 31, 2023, the maximum dividend that the Company's U.S. insurance operations could pay without regulatory approval was approximately $181 million (2022: $119 million).

Lloyd's of London

The Company operates in the Lloyd's market through its corporate members, AXIS Corporate Capital UK Limited and AXIS Corporate Capital UK II Limited, which provide 70% and 30%, respectively, of Syndicate 1686's capital support. Syndicate 1686 is managed by AXIS Managing Agency.

Corporate members of Lloyd's and Lloyd's syndicates are bound by the rules of Lloyd's, which are prescribed by Bye-laws and Requirements made by the Council of Lloyd's under powers conferred by the Lloyd's Act 1982. These rules prescribe members' membership subscription, the level of their contribution to the Lloyd's Central Fund and the assets they must deposit with Lloyd's in support of their underwriting. The Council of Lloyd's has broad powers to sanction breaches of its rules, including the power to restrict or prohibit a member's participation on Lloyd's syndicates.

The capital provided to support underwriting, or FAL, is not available for distribution for the payment of dividends or for working capital requirements. Corporate members may also be required to maintain funds under the control of Lloyd's in excess of their capital requirements and such funds also may not be available for distribution for the payment of dividends. Lloyd's sets the corporate members' required capital annually and reviews funds held compared to latest capital requirements on a quarterly basis. This process is supported by the application of a capital model that is based on regulatory rules pursuant to Solvency II.

22. STATUTORY FINANCIAL INFORMATION (CONTINUED)

FAL may be satisfied by cash, certain investments and letters of credit provided by approved banks. At December 31, 2023, fixed maturities and short-term investments with a fair value of $587 million (2022: $530 million) and cash of $13 million (2022: $13 million), respectively, were restricted to satisfy AXIS Corporate Capital UK Limited FAL requirements. At December 31, 2023, fixed maturities and short-term investments with a fair value of $261 million (2022: $176 million), equity securities with a fair value of $27 million (2022: $23 million), and cash of $6 million (2022: $6 million) were restricted to satisfy AXIS Corporate Capital UK II Limited FAL requirements (refer to Note 5 '*Investments*' and Note 12 *'Commitments and Contingencies'*).

Corporate members can apply to Lloyd's to release accumulated funds, whether syndicate profits or interest on FAL, which are in excess of the agreed FAL requirements on a quarterly basis. At December 31, 2023 and 2022, actual capital and assets exceeded the FAL requirements for Syndicate 1686. Both AXIS Corporate Capital UK Limited and AXIS Corporate Capital UK II Limited continue to support the FAL requirements of Syndicates 1686.

Branch Offices

The Company's operating subsidiaries in Bermuda and the U.S. maintain branch offices in Singapore and Canada, respectively. The Company's Irish operating subsidiaries maintain branch offices in the U.K., Switzerland and Belgium. The Company's Irish operating subsidiaries also maintained a branch office in the Netherlands until December 31, 2021. As branch offices are not considered separate entities for regulatory purposes, the required and actual statutory capital and surplus amounts for each jurisdiction in the table above, include amounts related to the applicable branch offices. The Company's branch offices in Singapore and Canada are subject to additional minimum capital or asset requirements in their countries of domicile. At December 31, 2023 and 2022, the actual capital/assets for each of these branches exceeded the relevant local regulatory requirements.

Total statutory net income (loss) of the Company's operating subsidiaries was $471 million, $134 million, and $569 million for 2023, 2022 and 2021, respectively. The differences between statutory financial statements and statements prepared in accordance with U.S. GAAP vary by jurisdiction, however, the primary differences are that statutory financial statements may not reflect deferred acquisition costs, certain net deferred tax assets, goodwill and intangible assets, unrealized gains (losses) on fixed maturities or certain unauthorized reinsurance recoverable balances.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company’s management has performed an evaluation, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act")) at December 31, 2023. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, at December 31, 2023, the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and is accumulated and communicated to management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosures.

Management’s Annual Report on Internal Control Over Financial Reporting

The Company’s management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act). The Company’s management has performed an assessment, with the participation of the Company’s Chief Executive Officer and the Company’s Chief Financial Officer, of the Company's internal control over financial reporting at December 31, 2023. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework (2013).

Based on that assessment, the Company’s management believes that, at December 31, 2023, the Company's internal control over financial reporting is effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

The Company's independent registered public accounting firm has issued an audit report on management's assessment of the Company's internal control over financial reporting at December 31, 2023. This report appears below.

All internal control systems, no matter how well designed, have inherent limitations. As a result, even those internal control systems determined to be effective can provide only reasonable assurance with respect to financial reporting and the preparation of financial statements.

Changes in Internal Control Over Financial Reporting

The Company’s management has performed an evaluation, with the participation of the Company’s Chief Executive Officer and the Company’s Chief Financial Officer, of changes in the Company’s internal control over financial reporting that occurred during the three months ended ended December 31, 2023. Based on that evaluation, there were no changes in the Company's internal control over financial reporting that occurred during the three months ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of AXIS Capital Holdings Limited

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of AXIS Capital Holdings Limited and subsidiaries (the "Company") as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023, of the Company and our report dated February 27, 2024 expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Controls Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte Ltd.

Hamilton, Bermuda

February 27, 2024

ITEM 9B. OTHER INFORMATION

Disclosure of Certain Activities Under Section 13(r) of the Securities Exchange Act of 1934

Section 13(r) of the Securities Exchange Act of 1934, as amended, requires issuers to disclose in their annual and quarterly reports whether they or any of their affiliates knowingly engaged in certain activities with Iran or with individuals or entities that are subject to certain sanctions under U.S. law. Issuers are required to provide this disclosure even where the activities, transactions or dealings are conducted outside of the U.S. in compliance with applicable law.

As and when allowed by the applicable law and regulations, certain of our non-U.S. subsidiaries provide treaty reinsurance coverage to non-U.S. insurers on a worldwide basis, including insurers of liability, marine, aviation and energy risks, and as a result, these underlying insurance and reinsurance portfolios may have some exposure to Iran. In addition, we provide insurance and facultative reinsurance on a global basis to non-U.S. insureds and insurers, including for liability, marine, aviation and energy risks. Coverage provided to non-Iranian business may indirectly cover an exposure in Iran. For example, certain of our operations underwrite global marine hull war and cargo policies that provide coverage for vessels navigating into and out of ports worldwide, including Iran. For the year ended December 31, 2023, there has been no material amount of premium allocated or apportioned to activities relating to Iran. We intend for our non-U.S. subsidiaries to continue to provide such coverage only to the extent permitted by applicable law.

Insider Trading Arrangements and Policies

During the three months ended December 31, 2023, no director or officer of the Company adopted, terminated or is currently party to a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not Applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item is incorporated by reference from the sections captioned *"Proposal No. 1 – Election of Directors"*, *"Corporate Governance",* and *"Executive Officers"* in the definitive proxy statement that will be filed with the Securities and Exchange Commission not later than 120 days after the close of the fiscal year ended December 31, 2023 pursuant to Regulation 14A.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference from the sections captioned *"Executive Compensation"*, *"Compensation Discussion and Analysis"*, *"Director Compensation"*, *"Human Capital and Compensation Committee Report"* and *"Human Capital and Compensation Committee Interlocks and Insider Participation"* in the definitive proxy statement that will be filed with the Securities and Exchange Commission not later than 120 days after the close of the fiscal year ended December 31, 2023 pursuant to Regulation 14A.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated by reference from the sections captioned *"Principal Shareholders"* and *"Equity Compensation Plan Information"* in the definitive proxy statement that will be filed with the Securities and Exchange Commission not later than 120 days after the close of the fiscal year ended December 31, 2023 pursuant to Regulation 14A.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference from the sections captioned *"Certain Relationships and Related Transactions"*, and *"Corporate Governance"* in the definitive proxy statement that will be filed with the Securities and Exchange Commission not later than 120 days after the close of the fiscal year ended December 31, 2023 pursuant to Regulation 14A.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item is incorporated by reference from the section captioned *"Principal Accounting Fees and Services"* in the definitive proxy statement that will be filed with the Securities and Exchange Commission not later than 120 days after the close of the fiscal year ended December 31, 2023 pursuant to Regulation 14A.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements, Financial Statement Schedules and Exhibits

1. Financial Statements

Included in Part II –Refer to Item 8 of this report.

2. Financial Statement Schedules

Report of Independent Registered Public Accounting Firm
Schedule I – Summary of Investments - Other than Investments in Related Parties
Schedule II – Condensed Financial Information of Registrant
Schedule III – Supplementary Insurance Information
Schedule IV – Supplementary Reinsurance Information

Schedules V and VI have been omitted as the information is provided in Item 8, Consolidated Financial Statements, or in the above schedules.

3. Exhibits

Exhibit Number	Description of Document
2.1	Rule 2.7 Announcement dated July 5, 2017 in connection with acquisition of Novae Group plc (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on July 6, 2017).
2.2	Rule 2.7 Announcement dated August 24, 2017 in connection with acquisition of Novae Group plc (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on August 25, 2017).

3.1	Certificate of Incorporation and Memorandum of Association of AXIS Capital Holdings Limited (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-1 (Amendment No. 1) (No. 333-103620) filed on April 16, 2003).
3.2	Amended and Restated Bye-laws of AXIS Capital Holdings Limited (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-8 filed on May 15, 2009).
4.1	Specimen Common Share Certificate (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1 (Amendment No. 3) (No. 333-103620) filed on June 10, 2003).
4.2	Senior Indenture among AXIS Specialty Finance LLC, AXIS Capital Holdings Limited and The Bank of New York Mellon Trust Company, N.A., as trustee, dated as of March 23, 2010 (incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q filed on April 27, 2010).
4.3	Senior Indenture among AXIS Specialty Finance PLC, as issuer, the Company, as guarantor, and The Bank of New York Mellon Trust Company, N.A., as trustee, dated as of March 13, 2014 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 13, 2014).
4.4	First Supplemental Indenture, dated as of April 3, 2019, among AXIS Specialty Finance PLC, AXIS Capital Holdings Limited and The Bank of New York Mellon Trust Company, N.A., relating to the 5.150% Senior Notes due 2045 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 4, 2019).
4.5	Junior Subordinated Indenture dated as of December 10, 2019, among AXIS Specialty Finance LLC, AXIS Capital Holdings Limited and The Bank of New York Mellon Trust Company, N.A. (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 11, 2019).
4.6	First Supplemental Indenture dated as of December 10, 2019, among AXIS Specialty Finance LLC, AXIS Capital Holdings Limited and The Bank of New York Mellon Trust Company, N.A., relating to the 4.900% Junior Subordinated Notes due 2040 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on December 11, 2019).
4.7	Form of 5.150% Senior Notes due 2045 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on March 13, 2014).
4.8	Form of 4.000% Senior Notes due 2027 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 6, 2017).
4.9	Form of 3.900% Senior Notes due 2029 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 19, 2019).
4.10	Form of 4.900% Junior Subordinated Notes due 2040 (incorporated by reference to Exhibit 4.2 (included as Exhibit A to Exhibit 4.2) to the Company's Current Report on Form 8-K filed on December 11, 2019).
4.11	Certificate of Designations setting forth the specific rights, preferences, limitations and other terms of the 5.50% Series E Preferred Shares (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on November 7, 2016).
†4.12	Description of AXIS Capital Holdings Limited's Securities Registered under Section 12 of the Exchange Act.
10.1	Amended and Restated Shareholders Agreement dated December 31, 2002, among AXIS Capital Holdings Limited and each of the persons listed on Schedule A thereto (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1 (Amendment No. 3) (No. 333-103620) filed on June 10, 2003).
*10.2	Employment Agreement by and among Albert Benchimol, AXIS Capital Holdings Limited and AXIS Specialty U.S. Services, Inc. dated May 3, 2012 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed on May 9, 2012).
*10.3	Amendment No. 1 to Employment Agreement by and among Albert Benchimol, AXIS Capital Holdings Limited and AXIS Specialty U.S. Services, Inc. dated March 9, 2015 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 11, 2015).
*10.4	Amendment No. 2 to Employment Agreement by and among Albert Benchimol, AXIS Capital Holdings Limited and AXIS Specialty U.S. Services, Inc. dated January 19, 2016 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 25, 2016).

*10.5	Amendment No. 3 to Employment Agreement by and among Albert Benchimol, AXIS Capital Holdings Limited, AXIS Specialty U.S. Services, Inc. and AXIS Specialty Limited dated January 1, 2017 (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K filed on February 27, 2017).
*10.6	Amendment No. 4 to Employment Agreement by and among Albert Benchimol, AXIS Capital Holdings Limited and AXIS Specialty Limited dated December 6, 2018 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 11, 2018).
*10.7	Employment Agreement by and between Peter Vogt and AXIS Specialty U.S. Services, Inc. dated December 11, 2017 (incorporated by reference to Exhibit 10.22 to the Company’s Annual Report on Form 10-K filed on February 28, 2018).
*10.8	Amendment No. 1 to Employment Agreement by and between Peter Vogt and AXIS Specialty U.S. Services, Inc. dated October 2, 2020 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 7, 2020).
*10.9	Amendment No. 2 to Employment Agreement by and between Peter Vogt and AXIS Specialty U.S. Services, Inc. dated June 17, 2021 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 21, 2021).
*10.10	Amendment No. 3 to Employment Agreement by and between Peter Vogt and AXIS Specialty U.S. Services, Inc. dated October 6, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 10, 2023).
*10.11	Employment Agreement by and between David Phillips and AXIS Specialty U.S. Services, Inc. dated March 21, 2014 (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K filed on February 26, 2019).
*10.12	Amendment No. 1 to Employment Agreement by and between David Phillips and AXIS Specialty U.S. Services, Inc. dated June 17, 2021 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on June 21, 2021).
*†10.13	Employment Agreement by and between Conrad D. Brooks and AXIS Specialty U.S. Services, Inc. dated December 14, 2016.
*10.14	Employment Agreement by and between Vincent Tizzio and AXIS Specialty U.S. Services, Inc. dated May 27, 2021 (incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K filed on February 27, 2023).
*10.15	Amendment No. 1 to Employment Agreement by and between Vincent Tizzio and AXIS Specialty U.S. Services, Inc. dated September 9, 2021 (incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K filed on February 27, 2023).
*10.16	Employment Agreement by and between Vincent Tizzio, AXIS Capital Holdings Limited and AXIS Specialty U.S. Services, Inc. dated April 11, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed on April 14, 2023).
*†10.17	Employment Agreement by and between Daniel Draper and AXIS UK Services Limited dated January 19, 2023.
*10.18	2007 Long-Term Equity Compensation Plan, as amended (incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-8 filed on May 15, 2012).
*10.19	Amended and Restated 2017 Long-Term Equity Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 11, 2021).
*10.20	Second Amended and Restated 2017 Long-Term Equity Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 8, 2023).
*10.21	Executive Long-Term Equity Compensation Program effective February 2021 (incorporated by reference to Exhibit 10.27 to the Company's Annual Report on Form 10-K filed on February 26, 2021).
*†10.22	Amended and Restated Long-Term Equity Compensation Program effective February 2024.
*†10.23	Amended and Restated Executive Annual Incentive Plan effective February 2024.

*†10.24	Amended and Restated AXIS Executive RSU Retirement Plan.
*10.25	Form of Employee Restricted Stock Unit Award Agreement (Performance Vesting) (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K filed on February 27, 2017).
*10.26	Form of Employee Restricted Stock Unit Award Agreement (Retirement Eligible/Performance Vesting) (incorporated by reference to Exhibit 10.27 to the Company's Annual Report on Form 10-K filed on February 27, 2017).
*10.27	Form of Employee Restricted Stock Unit Award Agreement (Retirement Eligible) (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K filed on February 27, 2017).
*10.28	Form of Employee Restricted Stock Unit Award Agreement (Performance Vesting) (incorporated by reference to Exhibit 10.37 to the Company's Annual Report on Form 10-K filed on February 28, 2018).
*10.29	Form of Employee Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.38 to the Company's Annual Report on Form 10-K filed on February 28, 2018).
*10.30	Form of Employee Restricted Stock Unit Award Agreement (Performance Vesting) (incorporated by reference to Exhibit 10.36 to the Company's Annual Report on Form 10-K filed on February 26, 2019).
*10.31	Form of Employee Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.37 to the Company's Annual Report on Form 10-K filed on February 26, 2019).
*10.32	Form of Employee Restricted Stock Unit Award Agreement (Performance Vesting) (incorporated by reference to Exhibit 10.39 to the Company's Annual Report on Form 10-K filed on February 27, 2020).
*10.33	Form of Employee Restricted Stock Unit Award Agreement (Performance Vesting) (incorporated by reference to Exhibit 10.40 to the Company's Annual Report on Form 10-K filed on February 26, 2021).
*10.34	Form of Employee Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.41 to the Company's Annual Report on Form 10-K filed on February 26, 2021).
*†10.35	Form of Employee Restricted Stock Unit Award Agreement.
*10.36	Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting) (incorporated by reference to Exhibit 10.37 of the Company’s Form 10-K filed on February 27, 2023).
*10.37	Form of Employee Restricted Stock Unit Award Agreement (One Year - Performance Vesting) (incorporated by reference to Exhibit 10.38 of the Company’s Form 10-K filed on February 27, 2023).
*10.38	Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on absolute total shareholder return) (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 1, 2023).
*†10.39	Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on relative total shareholder return and absolute diluted book value per share).
*10.40	AXIS Specialty U.S. Services, Inc. Supplemental Retirement Plan (incorporated by reference to Exhibit 10.23 to the Company's Annual Report on Form 10-K filed on February 26, 2008).
*10.41	Directors Annual Compensation Program, effective January 1, 2023 (incorporated by reference to Exhibit 10.41 to the Company’s Annual Report on Form 10-K filed on February 27, 2023).
*†10.42	Directors Annual Compensation Program, effective January 1, 2024.
10.43	Master Reimbursement Agreement, dated as of May 14, 2010, by and among AXIS Specialty Limited, AXIS Re Limited, AXIS Specialty Europe Limited, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Specialty Insurance Company, AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 19, 2010).
10.44	Amendment to Master Reimbursement Agreement dated January 27, 2012 by and among AXIS Specialty Limited, AXIS Re Limited, AXIS Specialty Europe Limited, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Specialty Insurance Company and AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 30, 2012).

10.45	Amendment to Committed Facility Letter dated November 20, 2013 by and among AXIS Specialty Limited, AXIS Re SE, AXIS Specialty Europe SE, AXIS Insurance Company, AXIS Surplus Insurance Company and AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 21, 2013).
10.46	Amendment to Committed Facility Letter dated March 31, 2015 by and among AXIS Specialty Limited, AXIS Re SE, AXIS Specialty Europe SE, AXIS Insurance Company, AXIS Reinsurance Company, AXIS Surplus Insurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 1, 2015).
10.47	Amendment to Facility Fee Letter dated March 31, 2015 by and among AXIS Specialty Limited, AXIS Re SE, AXIS Specialty Europe SE, AXIS Insurance Company, AXIS Reinsurance Company, AXIS Surplus Insurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on April 1, 2015).
10.48	Committed Facility Letter dated December 18, 2015 by and among AXIS Specialty Limited, AXIS Re SE, AXIS Specialty Europe SE, AXIS Insurance Company, AXIS Surplus Insurance Company and AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 22, 2015).
10.49	Amendment to Master Reimbursement Agreement dated March 27, 2017 by and among AXIS Specialty Limited, AXIS Re Limited, AXIS Specialty Europe Limited, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on March 31, 2017).
10.50	Deed of Amendment to $500 million secured letter of credit facility dated December 24, 2019 by and among AXIS Specialty Limited, AXIS Re SE, AXIS Specialty Europe SE, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 30, 2019).
10.51	Deed of Amendment to $500 million secured letter of credit facility dated April 1, 2021 by and among AXIS Specialty Limited, AXIS Re SE, AXIS Specialty Europe SE, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 6, 2021).
10.52	Deed of Amendment to $500 million secured letter of credit facility dated December 29, 2023 by and among AXIS Specialty Limited, AXIS Re SE, AXIS Specialty Europe SE, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Reinsurance Company and Citibank Europe plc (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 3, 2024).
†21.1	Subsidiaries of the Registrant.
†22.1	Subsidiary Guarantors and Issuers of Guaranteed Securities.
†23.1	Consent of Deloitte Ltd.
†24.1	Power of Attorney (included as part of signature pages hereto).
†31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
†31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
†32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
†32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*†97.1	Amended and Restated Executive Compensation Recoupment Policy
†101	The following financial information from AXIS Capital Holdings Limited's Annual Report on Form 10-K for the year ended December 31, 2023 formatted in Inline XBRL: (i) Consolidated Balance Sheets at December 31, 2023 and 2022; (ii) Consolidated Statements of Operations for the years ended December 31, 2023, 2022 and 2021; (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2023, 2022 and 2021; (iv) Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2023, 2022 and 2021; (v) Consolidated Statements of Cash Flows for the years ended December 31, 2023, 2022 and 2021; and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and in detail.
†104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Management contract, compensatory plan or arrangement.
† Filed herewith.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on February 27, 2024

AXIS CAPITAL HOLDINGS LIMITED

By: /s/ VINCENT TIZZIO
Vincent Tizzio
President and Chief Executive Officer

POWER OF ATTORNEY

We, the undersigned directors and executive officers of AXIS Capital Holdings Limited, hereby appoint Peter Vogt and Conrad D. Brooks, and each of them singly, as our true and lawful attorneys with full power to them and each of them to sign for us, and in our names in the capacities indicated below, any and all amendments to the Annual Report on Form 10-K filed with the Securities and Exchange Commission, hereby ratifying and confirming our signatures as they may be signed by our said attorneys to any and all amendments to said Annual Report on Form 10-K.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 27, 2024.

Signature	Title
/s/ VINCENT TIZZIO Vincent Tizzio	Chief Executive Officer, President and Director (Principal Executive Officer)
/s/ PETER VOGT Peter Vogt	Chief Financial Officer (Principal Financial Officer)
/s/ KENT ZIEGLER Kent Ziegler	Global Corporate Controller (Principal Accounting Officer)
/s/ W. MARSTON BECKER W. Marston Becker	Director
/s/ CHARLES DAVIS Charles Davis	Director
/s/ ANNE MELISSA DOWLING Anne Melissa Dowling	Director

Signature	Title
/s/ STANLEY GALANSKI Stanley Galanski	Director
/s/ ELANOR HARDWICK Elanor Hardwick	Director
/s/ MICHAEL MILLEGAN Michael Millegan	Director
/s/ THOMAS RAMEY Thomas Ramey	Director
/s/ HENRY SMITH Henry Smith	Director
/s/ AXEL THEIS Axel Theis	Director
/s/ BARBARA YASTINE Barbara Yastine	Director
/s/ LIZABETH ZLATKUS Lizabeth Zlatkus	Director

AXIS CAPITAL HOLDINGS LIMITED
SUMMARY OF INVESTMENTS - OTHER THAN INVESTMENTS IN RELATED PARTIES

	At December 31, 2023		
	Amortized cost	Fair value	Amount shown on the balance sheet
(in thousands)			
Type of investment:			
Fixed maturities, available for sale, at fair value			
U.S. government and agency	$ 3,049,445	$ 3,007,528	$ 3,007,528
Non-U.S. government	729,761	723,959	723,959
Corporate debt	4,651,654	4,474,172	4,474,172
Agency RMBS	1,706,204	1,634,661	1,634,661
CMBS	897,553	839,696	839,696
Non-agency RMBS	165,910	153,396	153,396
ABS	1,265,187	1,242,971	1,242,971
Municipals	168,540	158,359	158,359
Total fixed maturities, available for sale	$ 12,634,254	12,234,742	12,234,742
Fixed maturities, held to maturity, at amortized cost			
Corporate debt	$ 95,200	86,671	95,200
ABS	591,096	589,180	591,096
Total fixed maturities, held to maturity	$ 686,296	675,851	686,296
Mortgage loans, held for investment, at fair value		610,148	610,148
Short-term investments, at fair value		17,216	17,216
Equity securities, at fair value		588,511	588,511
Other investments, at fair value (1)		699,607	949,413
Equity method investments (2)		—	174,634
Total investments		$ 14,826,075	$ 15,260,960

(1) Other investments exclude investments where the Company is considered to have the ability to exercise significant influence over the operating and financial policies of the investees.
(2) Equity method investments are excluded as the Company has the ability to exercise significant influence over the operating and financial policies of the investees.

SCHEDULE II

AXIS CAPITAL HOLDINGS LIMITED
CONDENSED BALANCE SHEETS – PARENT COMPANY
DECEMBER 31, 2023 AND 2022

	2023	2022
	(in thousands)	
Assets		
Investments in subsidiaries	**$ 5,415,302**	$ 4,943,126
Cash and cash equivalents	**412**	1,932
Other assets	**4,751**	4,432
Total assets	**$ 5,420,465**	$ 4,949,490
Liabilities		
Intercompany payable	**$ 89,430**	$ 225,490
Dividends payable	**51,749**	52,992
Other liabilities	**16,090**	31,098
Total liabilities	**157,269**	309,580
Shareholders' equity		
Preferred shares	**550,000**	550,000
Common shares *(shares issued 2023: 176,580; 2022: 176,580 shares outstanding 2023: 85,286; 2022: 84,668)*	**2,206**	2,206
Additional paid-in capital	**2,383,030**	2,366,253
Accumulated other comprehensive income (loss)	**(365,836)**	(760,300)
Retained earnings	**6,440,528**	6,247,022
Treasury shares, at cost *(2023: 91,294; 2022: 91,912)*	**(3,746,732)**	(3,765,271)
Total shareholders' equity	**5,263,196**	4,639,910
Total liabilities and shareholders' equity	**$ 5,420,465**	$ 4,949,490

(1) AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance PLC, a 100% owned finance subsidiary, related to the issuance of $250 million aggregate principal amount of 5.15% senior unsecured notes. AXIS Capital's obligations under this guarantee are unsecured senior obligations and rank equally with all other senior obligations of AXIS Capital.

(2) AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance PLC, a 100% owned finance subsidiary, related to the issuance of $350 million aggregate principal amount of 4.0% senior unsecured notes. AXIS Capital's obligations under this guarantee are unsecured senior obligations and rank equally with all other senior obligations of AXIS Capital.

(3) AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance LLC, a 100% owned finance subsidiary, related to the issuance of $300 million aggregate principal amount of 3.9% senior unsecured notes. AXIS Capital's obligations under this guarantee are unsecured senior obligations and rank equally with all other senior obligations of AXIS Capital.

(4) AXIS Capital has fully and unconditionally guaranteed all obligations of AXIS Specialty Finance LLC, a 100% owned finance subsidiary, related to the issuance of $425 million aggregate principal amount of 4.9% fixed-rate reset junior unsecured notes. AXIS Capital's obligation under this guarantee is an unsecured junior subordinated obligation and ranks equally with all future unsecured and junior subordinated obligations of AXIS Capital, and junior in right of payment to all outstanding and future senior obligations of AXIS Capital.

AXIS CAPITAL HOLDINGS LIMITED
CONDENSED STATEMENTS OF OPERATIONS – PARENT COMPANY
YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022	2021
		(in thousands)	
Revenues			
Net investment income	$ —	$ —	$ —
Total revenues	—	—	—
Expenses			
General and administrative expenses	**52,334**	60,252	62,843
Total expenses	**52,334**	60,252	62,843
Income (loss) before equity in net income of subsidiaries	**(52,334)**	(60,252)	(62,843)
Equity in net income of subsidiaries	**428,626**	283,335	681,452
Net income	**376,292**	223,083	618,609
Preferred share dividends	**30,250**	30,250	30,250
Net income available to common shareholders	**$ 346,042**	$ 192,833	$ 588,359
Comprehensive income (loss)	**$ 770,756**	$ (593,753)	$ 260,750

SCHEDULE II

AXIS CAPITAL HOLDINGS LIMITED
CONDENSED STATEMENTS OF CASH FLOWS – PARENT COMPANY
YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022	2021
		(in thousands)	
Cash flows from operating activities:			
Net income	**$ 376,292**	$ 223,083	$ 618,609
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in income loss of subsidiaries	**(428,626)**	(283,335)	(681,452)
Change in intercompany payable	**(136,059)**	32,871	(96,868)
Dividends received from subsidiaries	**375,000**	225,000	300,000
Other items	**(34,626)**	(17,140)	7,882
Share-based compensation expense, net of cash payments	**54,119**	48,494	37,744
Net cash provided by operating activities	**206,100**	228,973	185,915
Cash flows from financing activities:			
Taxes paid on withholding shares	**(23,595)**	(13,994)	(10,242)
Dividends paid - common shares	**(153,775)**	(149,341)	(145,603)
Repurchase of common shares - open market	**—**	(34,987)	—
Dividends paid - preferred shares	**(30,250)**	(30,250)	(30,250)
Net cash used in financing activities	**(207,620)**	(228,572)	(186,095)
Increase (decrease) in cash, cash equivalents and restricted cash	**(1,520)**	401	(180)
Cash, cash equivalents and restricted cash - beginning of year	**1,932**	1,531	1,711
Cash, cash equivalents and restricted cash - end of year	**$ 412**	$ 1,932	$ 1,531

SCHEDULE III

AXIS CAPITAL HOLDINGS LIMITED
SUPPLEMENTARY INSURANCE INFORMATION

	At and year ended December 31, 2023								
(in thousands)	Deferred acquisition costs	Reserve for losses and loss expenses	Unearned premiums	Net premiums earned	Net investment income(1)	Net losses and loss expenses	Acquisition costs	Other operating expenses(2)	Net premiums written
Insurance	$ 298,249	$ 9,507,409	$ 3,507,519	$ 3,461,700	$ —	$ 2,080,001	$ 648,463	$ 472,094	$ 3,758,720
Reinsurance	152,701	6,926,609	1,240,083	1,622,081	—	1,313,101	352,482	79,373	1,343,605
Corporate	—	—	—	—	611,742	—	—	132,979	—
Total	$ 450,950	$ 16,434,018	$ 4,747,602	$ 5,083,781	$ 611,742	$ 3,393,102	$ 1,000,945	$ 684,446	$ 5,102,325

	At and year ended December 31, 2022								
(in thousands)	Deferred acquisition costs	Reserve for losses and loss expenses	Unearned premiums	Net premiums earned	Net investment income(1)	Net losses and loss expenses	Acquisition costs	Other operating expenses(2)	Net premiums written
Insurance	$ 249,407	$ 8,381,593	$ 3,077,628	$ 3,134,155	$ —	$ 1,785,854	$ 577,838	$ 443,704	$ 3,377,906
Reinsurance	224,162	6,787,270	1,283,819	2,026,171	—	1,456,556	444,179	106,585	1,885,150
Corporate	—	—	—	—	418,829	—	—	130,054	—
Total	$ 473,569	$ 15,168,863	$ 4,361,447	$ 5,160,326	$ 418,829	$ 3,242,410	$ 1,022,017	$ 680,343	$ 5,263,056

	At and year ended December 31, 2021								
(in thousands)	Deferred acquisition costs	Reserve for losses and loss expenses	Unearned premiums	Net premiums earned	Net investment income(1)	Net losses and loss expenses	Acquisition costs	Other operating expenses(2)	Net premiums written
Insurance	$ 212,681	$ 7,803,529	$ 2,716,240	$ 2,651,339	$ —	$ 1,514,998	$ 484,344	$ 429,282	$ 2,894,885
Reinsurance	252,912	6,849,565	1,374,436	2,058,511	—	1,493,785	437,490	107,552	2,031,739
Corporate	—	—	—	—	454,301	—	—	126,470	—
Total	$ 465,593	$ 14,653,094	$ 4,090,676	$ 4,709,850	$ 454,301	$ 3,008,783	$ 921,834	$ 663,304	$ 4,926,624

(1) The Company evaluates underwriting results of its reportable segments separately from the performance of its investment portfolio. Therefore, the Company believes it is appropriate to exclude net investment income from its underwriting profitability measure.

(2) Amounts related to the Company's reportable segments reflect underwriting-related general and administrative expenses, which includes those general and administrative expenses that are incremental and/or directly attributable to the Company's underwriting operations. Underwriting-related general and administrative expenses is a non-GAAP financial measure as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to general and administrative expenses, the most comparable GAAP financial measure, presented in the table above, also includes corporate expenses of $133 million, $130 million, and $126 million for the years ended December 31, 2023, 2022 and 2021, respectively. Corporate expenses include holding company costs necessary to support our worldwide insurance and reinsurance operations and costs associated with operating as a publicly-traded company. As these costs are not incremental and/or directly attributable to the Company's underwriting operations, these expenses are excluded from underwriting-related general and administrative expenses.

AXIS CAPITAL HOLDINGS LIMITED
SUPPLEMENTARY REINSURANCE INFORMATION
YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

(in thousands)	GROSS AMOUNT	CEDED TO OTHER COMPANIES	ASSUMED FROM OTHER COMPANIES	NET AMOUNT	PERCENTAGE OF AMOUNT ASSUMED TO NET
2023					
Property and Casualty	**$ 5,223,919**	**$ 3,161,438**	**$ 2,402,378**	**$ 4,464,859**	**53.8 %**
Accident and Health	**311,970**	**92,762**	**418,258**	**637,466**	**65.6 %**
Total	**$ 5,535,889**	**$ 3,254,200**	**$ 2,820,636**	**$ 5,102,325**	**55.3 %**
2022					
Property and Casualty	$ 4,858,629	$ 2,900,300	$ 2,685,677	$ 4,644,006	57.8 %
Accident and Health	244,329	51,239	425,960	619,050	68.8 %
Total	$ 5,102,958	$ 2,951,539	$ 3,111,637	$ 5,263,056	59.1 %
2021					
Property and Casualty	$ 4,233,758	$ 2,700,693	$ 2,874,687	$ 4,407,752	65.2 %
Accident and Health	171,694	58,667	405,845	518,872	78.2 %
Total	$ 4,405,452	$ 2,759,360	$ 3,280,532	$ 4,926,624	66.6 %

Exhibit 4.12

DESCRIPTION OF AXIS CAPITAL HOLDINGS LIMITED’S SECURITIES REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

The following is a brief description of the securities of AXIS Capital Holdings Limited (“AXIS Capital”) registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). This description of the terms of our stock does not purport to be complete and is qualified in its entirety by reference to the applicable provisions of the Bermuda Companies Act of 1981, as amended (the “Companies Act”), and the Certificate of Incorporation and Memorandum of Association of AXIS Capital, the Amended and Restated Bye-laws of AXIS Capital (the “bye-laws”), the Certificate of Designations creating the Series E Preferred Shares, which is included as an exhibit to the Annual Report on Form 10-K of AXIS Capital for the year ended December 31, 2023 and the form of depositary receipts evidencing the depositary shares. As used herein, “we,” “us” and “our” refer to AXIS Capital and not any of our subsidiaries. As of December 31, 2023, our common shares, par value $0.0125 per share, and our Depositary Shares (“depositary shares”), each representing a 1/100th interest in a 5.50% Series E Preferred Share, par value $0.0125 per share (“Series E Preferred Shares”), were the only classes of our securities registered under Section 12 of the Exchange Act.

General

We are authorized to issue up to an aggregate of 800,000,000 shares, par value $0.0125 per share.

Common Shares

Except as described below, our common shares have no pre-emptive rights or other rights to subscribe for additional common shares, no rights of redemption, conversion or exchange and no sinking fund rights.

Dividends

Holders of our common shares are entitled to receive dividends as may be lawfully declared from time to time by our board of directors.

Winding-Up or Distribution

In the event of winding-up or distribution, the holders of our common shares are entitled to receive at least the pro-rata portion of any cash distributed, if any remains after the payment of all our debts and liabilities and the liquidation preference of any outstanding preference shares.

Voting Rights

In general, and except as provided below, shareholders have one vote for each share held by them and are entitled to vote, on a non-cumulative basis, at all meetings of shareholders.

However, pursuant to a mechanism specified in our bye-laws, the voting rights exercisable by a shareholder may be limited. In any situation in which the “controlled shares” (as defined below) of a “United States person” (as defined in the Internal Revenue Code of 1986, as amended, hereinafter referred to as the “Code”) would constitute 9.5% or more of the votes conferred by the issued shares and such United States person would generally be required to recognize income with respect to AXIS Capital under Section 951(a)(1) of the Code, if AXIS Capital were a controlled foreign corporation as defined in Section 957 of the Code and if the ownership threshold under Section 951(b) of the Code were 9.5%, the voting rights exercisable by a shareholder with respect to such shares shall be reduced to the extent necessary so that no United States person is deemed to hold 9.5% or more of the voting power conferred by our shares. In addition, the voting power for a “Direct Foreign Shareholder Group” (as defined below) shall be reduced so that no Direct Foreign Shareholder Group is deemed to hold 9.5% or more of the voting power conferred by our shares. Our board of directors may also limit a shareholder’s voting rights where it deems it necessary to do so to avoid adverse tax, legal or regulatory consequences. “Controlled shares” includes, among other things, all shares of AXIS Capital that a United States person owns directly, indirectly or constructively (within the meaning of Section 958 of the Code). A “Direct Foreign Shareholder Group” includes a shareholder or group of commonly controlled shareholders that are not United States persons. This provision will not apply if a shareholder owns greater than 75% of our issued and outstanding shares.

We also have the authority under our bye-laws to request information from any shareholder for the purpose of determining whether a shareholder's voting rights are to be limited pursuant to the bye-laws. If a shareholder fails to respond to our request for information or submits incomplete or inaccurate information in response to a request by our board of directors, our board of directors may, in their sole discretion, eliminate the shareholder's voting rights.

Preference Shares

From time to time, pursuant to the authority granted by our bye-laws to issue shares up to the amount of our authorized share capital, our board of directors may create and issue one or more series of preference shares having such preferred, deferred or other special rights or such restrictions, whether in regard to dividends, voting, return of capital or otherwise, as we may by resolution of the shareholders determine.

Pre-emptive Rights

No holder of preference shares, solely by reason of such holding, has or will have any pre-emptive right to subscribe to any additional issue of shares of any class or series or to any security convertible into such shares.

Bye-laws

In addition to the provisions described above, the following provisions are a summary of some of the other important provisions of our bye-laws.

Our Board of Directors. Our bye-laws provide that our board of directors shall consist of between 9 and 16 members, or such number as determined by the shareholders. The current board of directors is divided into three classes. Each director serves a three-year term, with termination staggered according to class. Shareholders may only remove a director for cause at an annual general meeting by the affirmative vote of shareholders holding a majority of the aggregate voting power of all of our issued and outstanding shares; *provided* that the notice of any such meeting convened for the purpose of removing a director shall contain a statement of the intention to do so and shall be provided to that director at least 14 days before that meeting. Such vacancy may be filled by the shareholders at the meeting at which such director is removed. Vacancies on the board of directors can be filled by the board of directors if the vacancy occurs as a result of death, disability, disqualification or resignation of a director, from an increase in the size of the board of directors or from a vacancy left unfilled at a general meeting.

Shareholder Action. At the commencement of any general meeting, two or more persons present in person and representing, in person or by proxy, more than 50% of the aggregate voting power of our shares shall constitute a quorum for the transaction of business. In general, any questions proposed for the consideration of the shareholders at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with the bye-laws. In addition, most actions that may be approved by resolution of our shareholders in a general meeting may, without a meeting, be approved by a resolution in writing signed by all of the shareholders entitled to attend such meeting and vote on the resolution.

Voting of Subsidiary Shares. If we are required or entitled to vote at a general meeting of any of our direct subsidiaries on matters other than appointment, removal and remuneration of auditors, approval of financial statements and reports thereon and remuneration of directors during any period in which the voting rights of any of our shares are adjusted pursuant to our bye-laws, our directors must refer the subject matter of the vote to our shareholders on a poll and seek authority from our shareholders as to how they should vote on the resolution proposed by the subsidiary. Substantially similar provisions are contained in the bye-laws or equivalent governing documents of most of our non-U.S. subsidiaries.

Amendment. Our bye-laws may only be amended by a resolution adopted by our board of directors and by resolution of our shareholders.

Restrictions on Transfer of Shares

Our board of directors may decline to register a transfer of any common shares or preference shares (1) if it appears to the board of directors, in its sole and reasonable discretion, after taking into account the limitations on voting rights contained in our bye-laws, that any non-*de minimis* adverse tax, regulatory or legal consequences to us, any of our subsidiaries or any of our shareholders or their affiliates may occur as a result of such transfer or (2) subject to any applicable requirements of the New York Stock Exchange ("NYSE"), if a written opinion from counsel supporting the legality of the transaction under U.S. securities laws has not been provided or if any required governmental approvals have not been obtained.

Acquisition of Shares by Us

Under our bye-laws and subject to Bermuda law, if our board of directors determines that any shareholder's ownership of common shares or preference shares may result in non-*de minimis* adverse tax, legal or regulatory consequences to us, any of our subsidiaries or any of our shareholders or their affiliates, we have the option, but not the obligation, to require such shareholder to sell to us or to a third party to whom we assign the repurchase right the minimum number of common shares or preference shares that is necessary to avoid or cure any such adverse consequences at a price determined in the good faith discretion of the board of directors to represent the shares' fair market value.

Issuance of Shares

Subject to our bye-laws and Bermuda law, our board of directors has the power to issue any of our unissued common shares or preference shares as it determines, including the issuance of any common shares or class or series of shares with preferred, deferred or other special rights.

The restrictions on transfer, voting restrictions, right to acquire shares and right to issue additional shares or a new class or series of shares described above may have the effect of delaying, deferring or preventing a change in control of AXIS Capital.

Anti-Takeover Provisions and Insurance Regulations Concerning Change of Control

Some of the provisions of our bye-laws as well as some insurance regulations concerning change of control could delay or prevent a change of control.

Listing

Our common shares are listed on the NYSE under the trading symbol "AXS."

Transfer Agent and Registrar

The transfer agent and registrar for the common shares is Computershare Trust Company, N.A., whose principal executive office is located at 150 Royall Street, Suite 101, Canton, Massachusetts 02021.

Exhibit 4.12

Series E Preferred Shares

General

The Series E Preferred Shares rank senior to our junior stock (as defined under "—Dividends") and equally with each other series of our parity stock, if any (as defined under "—Dividends") with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding-up. At present, we have no issued shares that are senior to the Series E Preferred Shares with respect to payment of dividends and distribution of assets upon our liquidation, dissolution or winding-up.

The depositary is the sole holder of Series E Preferred Shares. The holders of depositary shares are required to exercise their proportional rights in the Series E Preferred Shares through the depositary, as described in "Description of Depositary Shares."

Our board of directors may from time to time create and issue new junior shares and parity shares of other series without the approval of the holders of the Series E Preferred Shares and fix their relative rights, preferences and limitations.

We are generally able to pay dividends and distributions upon liquidation, dissolution or winding-up only out of lawfully available funds for such payment (i.e., after satisfaction of indebtedness and other non-equity claims). The Series E Preferred Shares are fully-paid and nonassessable.

Holders of the depositary shares and the Series E Preferred Shares represented thereby do not have preemptive or subscription rights to acquire more of our capital stock.

The Series E Preferred Shares are not convertible into, or exchangeable for, shares of any other class or series of stock or other securities of ours or our property or assets. The Series E Preferred Shares have no stated maturity and are not subject to any mandatory redemption, sinking fund, retirement fund, purchase fund or other obligation of ours to redeem, repurchase or retire the Series E Preferred Shares.

Dividends

Dividends on the Series E Preferred Shares are non-cumulative. Consequently, if our board of directors does not authorize and declare a dividend for any dividend period, holders of the Series E Preferred Shares are not entitled to receive a dividend for such period, and such undeclared dividend will not accumulate and will not be payable. We have no obligation to pay dividends for a dividend period after the dividend payment date for such period if our board of directors has not declared such dividend before the related dividend payment date, whether or not dividends are declared for any subsequent dividend period with respect to the Series E Preferred Shares.

Holders of Series E Preferred Shares are entitled to receive, only when, as and if declared by our board of directors, out of funds legally available for the payment of dividends under Bermuda law, non-cumulative cash dividends from and including the original issue date, quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, commencing on January 15, 2017, without accumulation of any undeclared dividends. To the extent declared, these dividends will accumulate, with respect to each dividend period, in an amount per share equal to 5.50% of the liquidation preference per annum (equivalent to $137.50 per Series E Preferred Share and $1.375 per depositary share). In the event that we issue additional Series E Preferred Shares after the original issue date, to the extent declared, dividends on such additional Series E Preferred Shares may accumulate from and including the original issue date or any other date we specify at the time such additional Series E Preferred Shares are issued.

Dividends are payable to holders of record of the Series E Preferred Shares as they appear in our register of members on the applicable record date, which shall be the fifteenth day of the month preceding that dividend payment date or such other record date fixed by our board of directors that is not more than 60 nor less than 10 days prior to such dividend payment date. These dividend record dates apply regardless of whether a particular dividend record date is a business day. The corresponding dividend record dates for the depositary shares is the same as the dividend record dates for Series E Preferred Shares. As used herein, "business day" means a day that is a Monday, Tuesday, Wednesday, Thursday or Friday and is not a day on which banking institutions in New York City generally are authorized or obligated by law or executive order to close.

A dividend period is the period from and including a dividend payment date to, but excluding, the next dividend payment date. Dividends payable on the Series E Preferred Shares are computed on the basis of a 360-day year consisting of twelve 30-day months. If any date on which dividends would otherwise be payable is not a business day, then the dividend payment date will be the next succeeding business day after the original dividend payment date, and no additional dividends will accumulate on the amount so payable from such date to such next succeeding business day.

Upon the payment of any dividends on the Series E Preferred Shares, holders of depositary shares receive a related proportionate payment. See "Depositary Shares—Dividends and Other Distributions."

So long as any Series E Preferred Shares remain outstanding for any dividend period, unless the full dividends for the latest completed dividend period on all outstanding Series E Preferred Shares and any parity stock have been declared and paid or declared and a sum sufficient for the payment thereof has been set aside:

- no dividend shall be paid or declared on our common shares or any other shares of our junior stock, other than a dividend payable solely in our common shares or other junior stock; and
- no common shares or other junior stock shall be purchased, redeemed or otherwise acquired for consideration by us, directly or indirectly (other than (1) as a result of a reclassification of junior stock for or into other junior stock or the exchange or conversion of one share of junior stock for or into another share of junior stock, (2) through the use of the proceeds of a substantially contemporaneous sale of junior stock) or (3) as required by or necessary to fulfill the terms of any employment contract, benefit plan or similar arrangement with or for the benefit of one or more employees, directors or consultants.

When dividends are not paid or duly provided for in full on any dividend payment date upon the Series E Preferred Shares and any shares of parity stock, all dividends declared upon the Series E Preferred Shares and all such parity stock and payable on such dividend payment date shall be declared on a pro rata basis so that the respective amounts of such dividends shall bear the same ratio to each other as the full amount of dividends payable on the outstanding Series E Preferred Shares for such dividend period and the accumulated and unpaid dividends, or the full amount of dividends payable for such dividend period in the case of non-cumulative preferred stock, on all such parity stock bear to each other. In the case of any parity stock having dividend payment dates different from the dividend payment dates pertaining to the Series E Preferred Shares, the measurement date for such parity stock shall be the dividend payment date falling within the related dividend period for the Series E Preferred Shares.

As used herein, "junior stock" means any class or series of our capital stock that ranks junior to the applicable securities either as to the payment of dividends or as to the distribution of assets upon any liquidation, dissolution or winding-up of AXIS Capital. Junior stock includes our common shares.

As used herein, "parity stock" means any class or series of our capital stock that ranks equally with the applicable securities as to payment of dividends and the distribution of assets on any liquidation, dissolution or winding-up of AXIS Capital. As of December 31, 2023, there is no series of our capital stock that would be considered parity stock with the Series E Preferred Shares.

Certain Restrictions on Payment of Dividends

AXIS Capital is a holding company and has no direct operations. The ability of AXIS Capital to pay dividends or distributions depends almost exclusively on the ability of its subsidiaries to pay dividends or distributions to AXIS Capital.

Our operating subsidiaries are subject to significant regulatory restrictions limiting their ability to declare and pay dividends or distributions. For example, under the Insurance Act 1978 of Bermuda, dividends by a class 4 insurer, such as AXIS Specialty Limited, exceeding 25% of statutory capital and surplus are prohibited unless the insurer files (at least seven days before payment of such dividends) with the Bermuda Monetary Authority an affidavit signed by two directors and the principal representative of the insurer declaring that the insurer will remain in compliance with the solvency margin and liquidity requirements of the Insurance Act 1978 after payment of such dividend.

The Bermuda Monetary Authority has issued notice to AXIS Specialty Limited that it will act as group supervisor and that it has designated AXIS Specialty Limited as the 'designated insurer' of the AXIS group of insurance companies. In accordance with the Group Supervision Rules and the Group Solvency Rules, the AXIS insurance group is required to prepare and submit annual audited group GAAP financial statements, annual group statutory financial statements, an annual group statutory financial return, an annual group capital and solvency return and quarterly group unaudited financial returns.

Under Bermuda law, we are not permitted to pay dividends on our securities (even if such dividends have been previously declared) if there are reasonable grounds for believing that we are, or would after the payment be, unable to pay our liabilities as they become due; or the realizable value of our assets would thereby be less than our liabilities or that we are or would after such payment be in breach of the Insurance Act 1978, the Group Solvency Rules, including the Group Enhanced Capital Requirement contained within the Group Solvency Rules, or under such other applicable rules and regulations as may from time to time be issued by the Bermuda Monetary Authority (or any successor agency or then-applicable regulatory authority) pursuant to the terms of the Insurance Act 1978, or any successor legislation.

Liquidation Rights

Upon any voluntary or involuntary liquidation, dissolution or winding-up of AXIS Capital, holders of the Series E Preferred Shares are entitled to receive out of our assets legally available for distribution to shareholders, after satisfaction of indebtedness and other non-equity claims, if any, a liquidation preference in the amount of $2,500 per Series E Preferred Share (equivalent to $25 per depositary share), plus declared and unpaid dividends, if any, to, but excluding, the date fixed for distribution, without accumulation of any undeclared dividends, before any distribution of assets is made to holders of our common shares, or any of our other shares of stock ranking junior to the Series E Preferred Shares. Holders of the Series E Preferred Shares will not be entitled to any other amounts from us after they have received their full liquidation preference.

In any such distribution, if our assets are not sufficient to pay the liquidation preference in full to all holders of the Series E Preferred Shares and all holders of parity stock, if any, the amounts paid to the holders of the Series E Preferred Shares and to the holders of parity stock will be paid pro rata in accordance with the respective aggregate liquidation preferences of those holders. If the liquidation preference has been paid in full to all holders of the Series E Preferred Shares and any holders of parity stock, the holders of our other capital stock shall be entitled to receive all of our remaining assets according to their respective rights and preferences.

A consolidation, amalgamation, merger, arrangement or reconstruction involving AXIS Capital or the sale or transfer of all or substantially all of the shares of capital stock or the property or business of AXIS Capital will not be deemed to constitute a liquidation, dissolution or winding-up of AXIS Capital.

Redemption

Under Bermuda law, the source of funds that may be used by a company to pay amounts to shareholders on the redemption of their shares in respect of the nominal or par value of their shares is limited to (1) the capital paid up on the shares being redeemed, (2) funds of the company otherwise available for payment of dividends or distributions or (3) the proceeds of a new issuance of shares made for purposes of the redemption, and in respect of the premium over the nominal or par value of their shares is limited to (a) funds otherwise available for dividends or distributions or (b) out of the company's share premium account before the redemption date.

Under Bermuda law, no redemption may be made by us if there are reasonable grounds for believing that we are, or would after the payment be, unable to pay our liabilities as they become due; or the realizable value of our assets would thereby be less than our liabilities or that we are or would after such payment be in breach of the Insurance Act 1978, the Group Solvency Rules, including the Group Enhanced Capital Requirement contained within the Group Solvency Rules, or under such other applicable rules and regulations as may from time to time be issued by the Bermuda Monetary Authority (or any successor agency or then-applicable regulatory authority) pursuant to the terms of the Insurance Act 1978, or any successor legislation.

Our ability to effect a redemption of the Series E Preferred Shares is subject to regulatory approval.

Our ability to effect a redemption of the Series E Preferred Shares may be subject to the performance of our subsidiaries. Distribution to us from our insurance subsidiaries will also be subject to applicable insurance laws and regulatory constraints.

The Series E Preferred Shares are not subject to any mandatory redemption, sinking fund, retirement fund, purchase fund or other similar provisions. The Series E Preferred Shares are not redeemable prior to November 7, 2021, except as described below. The Series E Preferred Shares are redeemable at our option, in whole or in part, upon not less than 30 nor more than 60 days, prior written notice, at a redemption price equal to $2,500 per Series E Preferred Share (equivalent to $25 per depositary share), plus declared and unpaid dividends, if any, to, but excluding, the date of redemption, without accumulation of any undeclared dividends:

(i) at any time following the occurrence of a tax event (as defined below);

(ii) at any time within 90 days following the occurrence of the date (a "capital redemption trigger date") on which we have reasonably determined that, as a result of (a) any amendment to, or change in, the laws or regulations of Bermuda that is enacted or becomes effective after the initial issuance of the Series E Preferred Shares; (b) any proposed amendment to, or change in, those laws or regulations that is announced or becomes effective after the initial issuance of the Series E Preferred Shares; or (c) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of the Series E Preferred Shares, a "capital disqualification event" (as defined below) has occurred; provided that any such redemption in part may only be made if (x) we have reasonably determined that the portion of the Series E Preferred Shares to be redeemed are the subject of the capital disqualification event and (y) after giving effect to such redemption, we have reasonably determined that a capital disqualification event will not exist with respect to the then-outstanding Series E Preferred Shares and such redemption will not result in the suspension or removal of the Series E Preferred Shares from NYSE listing; and

(iii) on and after November 7, 2021.

As used herein, "tax event" means a "change in tax law" that, in our reasonable determination, results in a substantial probability that we or any entity formed by a consolidation, merger or amalgamation involving us or the entity to which we convey, transfer or lease substantially all our properties and assets would be required to pay any additional amounts (as defined below) with respect to the applicable securities.

As used herein, "change in tax law" means (a) a change in or amendment to laws, regulations or rulings of any relevant taxing jurisdiction (as defined below), (b) a change in the official application or interpretation of those laws, regulations or rulings, (c) any execution of or amendment to any treaty affecting taxation to which any relevant taxing jurisdiction is party after the date of the prospectus supplement relating to the applicable securities, or (d) a decision rendered by a court of competent jurisdiction in any relevant taxing jurisdiction, whether or not such decision was rendered with respect to AXIS Capital, in each case, described in (a)-(d) above occurring after the date of the prospectus supplement relating to the applicable securities.

As used herein, a "relevant taxing jurisdiction" is (a) Bermuda or any political subdivision or governmental authority of or in Bermuda with the power to tax, (b) any jurisdiction from or through which AXIS Capital or its dividend disbursing agent are making payments on the applicable securities or any political subdivision or governmental authority of or in that jurisdiction with the power to tax or (c) any other jurisdiction in which AXIS Capital or a successor corporation is organized or generally subject to taxation on a net income basis or any political subdivision or governmental authority of or in that jurisdiction with the power to tax.

As used herein, "capital adequacy regulations" means the solvency margin, capital adequacy regulations or any other regulatory capital rules applicable to us from time to time on an individual or group basis pursuant to Bermuda law and/or the laws of any other relevant jurisdiction and which set out the requirements to be satisfied by financial instruments to qualify as solvency margin or additional solvency margin or regulatory capital (or any equivalent terminology employed by the then applicable capital adequacy regulations).

As used herein, a "capital disqualification event" has occurred if the applicable securities cease to qualify, in whole or in part (including as a result of any transitional or grandfathering provisions), for purposes of determining our solvency margin, capital adequacy ratios or any other comparable ratios, regulatory capital resource or level of AXIS Capital or any member thereof, where subdivided into tiers, as Tier 1 or Tier 2 capital securities under then-applicable capital adequacy regulations imposed upon us by the Bermuda Monetary Authority (or any successor agency or then-applicable regulatory authority), which includes our individual and group Enhanced Capital Requirements under the Bermuda Monetary Authority's capital regulations, except as a result of any applicable limitation on the amount of such capital. For the avoidance of doubt, a capital disqualification event shall not be deemed to have occurred so long as the applicable securities qualify as either Tier 1 or Tier 2 capital securities as described above.

At any time prior to November 7, 2021, if we submit to the holders of our common shares a proposal for an amalgamation or merger or if we submit any proposal for any other matter that requires, as a result of a change in Bermuda law after the date of the prospectus supplement relating to the Series E Preferred Shares, for its validation or effectuation an affirmative vote of the holders of the Series E Preferred Shares at the time outstanding, whether voting as a separate series or together with any other series or class of preference shares as a single class, we will have the option, upon not less than 30 nor more than 60 days prior written notice, to redeem all of the outstanding Series E Preferred Shares for cash at a redemption price of $2,600 per Series E Preferred Share (equivalent to $26 per depositary share), plus declared and unpaid dividends, if any, to, but excluding, the date of redemption, without accumulation of any undeclared dividends.

Neither holders of depositary shares nor holders of Series E Preferred Shares have the right to require the redemption or repurchase of the Series E Preferred Shares.

See "Description of Depositary Shares—Redemption of Depositary Shares" for information about redemption of the depositary shares relating to the Series E Preferred Shares.

If the Series E Preferred Shares or any depositary shares representing interest in the Series E Preferred Shares are to be redeemed, the notice of redemption shall be given by first class mail to the holders of record of the depositary shares representing interests in the Series E Preferred Shares to be redeemed within the time period provided above; provided that, if the depositary shares are held in book-entry form through The Depository Trust Company ("DTC"), we may give such notice in any manner permitted by DTC. Each notice of redemption will include a statement setting forth:

- the redemption date;
- the number of Series E Preferred Shares to be redeemed (and the corresponding number of depositary shares) and, if less than all the Series E Preferred Shares held by such holder are to be redeemed, the number of such Series E Preferred Shares to be redeemed from such holder;
- the redemption price or methodology for determining the redemption price; and
- the place or places where holders may surrender certificates evidencing the depositary shares representing interests in the Series E Preferred Shares for payment of the redemption price.

If notice of redemption of any Series E Preferred Shares has been given and if the funds necessary for such redemption have been set aside by us for the benefit of the holders of the Series E Preferred Shares so called for redemption, then, from and after the redemption date, dividends will cease to accumulate on such Series E Preferred Shares, such Series E Preferred Shares shall no longer be deemed outstanding and all rights of the holders of such Series E Preferred Shares will terminate, except the right to transfer the Series E Preferred Shares prior to the redemption date and the right to receive the redemption price. See "Description of Depositary Shares" below for information about redemption of the depositary shares relating to our Series E Preferred Shares.

In case of any redemption of only part of the Series E Preferred Shares at the time outstanding, the Series E Preferred Shares to be redeemed shall be selected either pro rata or in such other manner as we may determine to be fair and equitable.

Additional Amounts

We make all payments on the Series E Preferred Shares free and clear of and without withholding or deduction at source for, or on account of, any present or future taxes, fees, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any relevant taxing jurisdiction, unless such taxes, fees, duties, assessments or governmental charges are required to be withheld or deducted by (x) the laws (or any regulations or rulings promulgated thereunder) of any relevant taxing jurisdiction or (y) an official position regarding the application, administration, interpretation or enforcement of any such laws, regulations or rulings (including, without limitation, a holding by a court of competent jurisdiction or by a taxing authority in any relevant taxing jurisdiction). If a withholding or deduction at source is required we, subject to certain limitations and exceptions described below, pay to the holders of the Series E Preferred Shares such additional amounts (the "additional amounts") as may be necessary so that every net payment made to such holders, after the withholding or deduction, will not be less than the amount provided for in the Certificate of Designations to be then due and payable. We are not required to pay any additional amounts for or on account of:

(a) any tax, fee, duty, assessment or governmental charge of whatever nature that would not have been imposed but for the fact that (i) the holder or beneficial owner of the Series E Preferred Shares was a resident, citizen, domiciliary or national of, or engaged in business or maintained a permanent establishment or was physically present in, the relevant taxing jurisdiction or otherwise had some connection with the relevant taxing jurisdiction other than by reason of the mere ownership of, or receipt of payment under, such Series E Preferred Shares or (ii) the holder presented, where presentation is required, such Series E Preferred Shares for payment more than 30 days after the relevant date (as defined below), except to the extent that the holder would have been entitled to such additional amounts if it had presented such Series E Preferred Shares for payment on any day within that 30-day period. The "relevant date" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the dividend disbursing agent on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and is available for payment to holders, and notice to that effect shall have been duly given to the holders of the Series E Preferred Shares;

(b) any estate, inheritance, gift, sale, transfer, personal property or similar tax, fee, duty, assessment or other governmental charge;

(c) any tax, fee, duty, assessment or other governmental charge that is payable otherwise than by withholding or deduction from payment of the liquidation preference of or any dividends on the Series E Preferred Shares;

(d) any tax, fee, duty, assessment or other governmental charge that is imposed or withheld by reason of the failure by the holder or beneficial owner of such Series E Preferred Shares to comply with any reasonable request by us addressed to the holder within 90 days of such request (a) to provide information concerning the nationality, citizenship, residence or identity of the holder or beneficial owner or (b) to make any declaration or other similar claim or satisfy any information or reporting requirement, which is required or imposed by statute, treaty, regulation or administrative practice of the relevant taxing jurisdiction as a precondition to exemption from all or part of such tax, fee, duty, assessment or other governmental charge;

(e) any withholding or deduction imposed on or in respect of the Series E Preferred Shares pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof or intergovernmental agreements in connection therewith, and any agreements entered into pursuant to Section 1471(b)(1) of the Code; or

(f) any combination of items (a), (b), (c), (d) and (e).

In addition, we do not pay additional amounts with respect to any payment on any such Series E Preferred Shares to any holder who is a fiduciary, partnership, limited liability company or other pass-thru entity or a person other than the sole beneficial owner of such Series E Preferred Shares if such payment would be required by the laws of the relevant taxing jurisdiction to be included in the income for tax purposes of a beneficiary or settlor with respect to such fiduciary or a member of such partnership, limited liability company or other pass-thru entity or a beneficial owner to the extent such beneficiary, settlor, member or beneficial owner would not have been entitled to such additional amounts had it been the holder of the Series E Preferred Shares.

If there is a substantial probability that we or any successor corporation would be required to pay any additional amounts as a result of a change in tax law, we also have the option to redeem the Series E Preferred Shares. See "—Redemption" above.

Upon the payment of any additional amounts, holders of depositary shares receive a related proportionate payment. See "Description of Depositary Shares—Dividends and Other Distributions."

Substitution or Variation

In lieu of redemption, at any time following a tax event or at any time following a capital disqualification event, we may, without the consent of any holders of the Series E Preferred Shares, vary the terms of the Series E Preferred Shares such that they remain securities, or exchange the Series E Preferred Shares with new securities, which (i) in the case of a tax event, would eliminate the substantial probability that we or any successor corporation would be required to pay any additional amounts with respect to the Series E Preferred Shares as a result of a change in tax law, and (ii) in the case of a capital disqualification event, for purposes of determining the solvency margin, capital adequacy ratios or any other comparable ratios, regulatory capital resource or level of AXIS Capital or any member thereof, where subdivided into tiers, qualify as Tier 1 or Tier 2 capital securities under then-applicable capital adequacy regulations imposed upon us by the Bermuda Monetary Authority (or any successor agency or then-applicable regulatory authority), which includes our individual and group enhanced capital requirements. In either case, the terms of the varied securities or new securities considered in the aggregate cannot be less favorable to holders than the terms of the Series E Preferred Shares prior to being varied or exchanged; provided that no such variation of terms or securities received in exchange shall change the specified denominations of, any payment of dividend on, the redemption dates (other than any extension of the period during which an optional redemption may not be exercised by the Company) or currency of, the Series E Preferred Shares, reduce the liquidation preference thereof, dividend payable, lower the ranking of the securities, reduce the voting threshold for the issuance of senior stock or change the foregoing list of items that may not be so amended as part of such variation or exchange. Further, no such variation of terms or securities received in exchange shall impair the right of a holder of the securities to institute suit for the payment of any amounts due (as provided under the certificate of designations relating thereto), but unpaid with respect to such holder’s securities.

Prior to any variation or exchange, we are required to receive an opinion of independent legal advisers of recognized standing to the effect that holders and beneficial owners of the depositary shares and the Series E Preferred Shares represented thereby (including as holders and beneficial owners of the varied or exchanged securities) will not recognize income, gain or loss for United States federal income tax purposes as a result of such variation or exchange and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case had such variation or exchange not occurred.

Any variation or exchange of the Series E Preferred Shares described above will be made after notice is given to the holders of the Series E Preferred Shares not less than 30 nor more than 60 days prior to the date fixed for variation or exchange, as applicable.

Voting Rights

Except as provided below, the holders of the Series E Preferred Shares have no voting rights.

Under Bermuda law, holders of the Series E Preferred Shares are entitled to one vote for each Series E Preferred Share held by them, voting together with all other shares of the Company, on any proposal for the amalgamation or merger of the Company with another entity. Alternatively, to the extent that the relevant amalgamation agreement or merger agreement contains a provision that would constitute a variation of the rights attaching to the Series E Preferred Shares, the holders of the Series E Preferred Shares are entitled to vote separately as a class on the proposal for the amalgamation or merger.

Whenever dividends payable on Series E Preferred Shares have not been declared by the board of directors and paid for an aggregate amount equivalent to six full dividend periods (whether or not consecutive) on all of the Series E Preferred Shares or any class or series of parity stock then outstanding, the holders of the Series E Preferred Shares, together with the holders of each such class or series of parity stock, have the right, voting together as a single class regardless of class or series, to elect two directors of our board of directors. We will use our best efforts to effectuate the election or appointment of these two directors.

Whenever dividends on the Series E Preferred Shares and any parity stock then outstanding have been paid in full, or declared and sufficient funds have been set aside, for at least four dividend periods, the right of holders of the Series E Preferred Shares and any such parity stock to be represented by directors as described in the preceding paragraph will cease (but subject always to the same provision for the vesting of such rights in the case of any future suspension of payments in an amount equivalent to dividends for six full dividend periods whether or not consecutive), and the terms of office of the additional directors elected or appointed to the board of directors will terminate.

At any time when such special voting power has vested in the holders of the Series E Preferred Shares and any parity stock as described in the preceding paragraph, such right may be exercised initially either at a special general meeting of the holders of the Series E Preferred Shares and any such parity stock or at any annual general meeting of shareholders, and thereafter at annual general meetings of shareholders. At any time when such special right has vested, our chairman or president will, upon the written request of the holders of record of at least 10% of the Series E Preferred Shares and any parity stock then outstanding addressed to our secretary, call a special general meeting of the holders of the Series E Preferred Shares and any parity stock for the purpose of electing directors. Such meeting will be held at the earliest practicable date in such place as may be designated pursuant to our bye-laws (or if there be no designation, at our principal office in Bermuda). If such meeting is not called by our proper officers within 20 days after our secretary has been personally served with such request, or within 60 days after mailing the same by registered or certified mail addressed to our secretary at our principal office, then the holders of record of at least 10% of the Series E Preferred Shares and any parity stock then outstanding may designate in writing one of their number to call such meeting at our expense, and such meeting may be called by such person so designated upon the notice required for annual general meetings of shareholders and will be held in Bermuda, unless we otherwise designate. Any holder of the Series E Preferred Shares and any parity stock will have access to our register of members for the purpose of causing meetings of shareholders to be called pursuant to these provisions. Notwithstanding the foregoing, no such special meeting will be called during the period within 90 days immediately preceding the date fixed for the next annual general meeting of shareholders.

At any annual or special general meeting at which the holders of the Series E Preferred Shares and any parity stock have the special right to elect directors as described above, the presence, in person or by proxy, of the holders of 50% of the Series E Preferred Shares and any parity stock will be required to constitute a quorum for the election of any director by the holders of the Series E Preferred Shares and any parity stock, voting as a class. At any such meeting or adjournment thereof the absence of a quorum of the Series E Preferred Shares and any parity stock will not prevent the election of directors other than those to be elected by the Series E Preferred Shares and any parity stock, voting as a class, and the absence of a quorum for the election of such other directors will not prevent the election of the directors to be elected by the Series E Preferred Shares and any parity stock, voting as a class.

During any period in which the holders of the Series E Preferred Shares and any parity stock have the right to vote as a class for directors as described above, any vacancies in our board of directors will be filled by vote of a majority of our board of directors pursuant to our bye-laws. During such period, the directors so elected by the holders of the Series E Preferred Shares and any parity stock will continue in office (1) until the next succeeding annual general meeting or until their successors, if any, are elected by such holders and qualify or (2) unless required by applicable law, rule or regulation to continue in office for a longer period, until termination of the right of the holders of the Series E Preferred Shares and any parity stock to vote as a class for directors, if earlier. Immediately upon any termination of the right of the holders of the Series E Preferred Shares and any parity stock to vote as a class for directors as provided herein, the terms of office of the directors then in office so elected by the holders of the Series E Preferred Shares and the parity stock will terminate.

Except as set forth above under "—Substitution or Variation," without the written consent of the holders of at least 75% of the Series E Preferred Shares at the time issued and outstanding or the sanction of a resolution passed by a majority of the votes cast at a separate meeting of the holders of the Series E Preferred Shares at which a quorum (consisting of the presence, in person or by proxy, of the holders of 50% of the Series E Preferred Shares) is present, we may not take any action necessary for effecting or validating any amendment, alteration or repeal of any of the provision of the Memorandum of Association of AXIS Capital, our bye-laws or our certificate of designation in respect of the Series E Preferred Shares that would vary the rights attached to the Series E Preferred Shares or effect any amalgamation that would affect the Series E Preferred Shares unless each Series E Preferred Share (1) shall remain outstanding with no variation in its rights, preference or voting powers of (2) shall be converted into or exchanged for a preference share of the surviving entity having rights, preferences and voting powers identical to that of a Series E Preferred Share. Without the written consent, or the sanction of a resolution passed at a separate meeting, of the holders of at least 67% of the Series E Preferred Shares at the time issued and outstanding, we may not authorize any creation or increase in the issued amount of, any shares of any series or any security convertible into shares of any series ranking prior to the Series E Preferred Shares with respect to payment of dividends and distribution of assets upon our liquidation, dissolution or winding-up of AXIS Capital.

We may create and issue additional series of parity stock and junior stock without the consent of any holder of the Series E Preferred Shares. Holders of the Series E Preferred Shares are not entitled to vote on any sale of all or substantially all of the assets of AXIS Capital.

On any item on which the holders of the Series E Preferred Shares are entitled to vote, such holders are entitled to one vote for each Series E Preferred Share held.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding Series E Preferred Shares shall have been redeemed or called for redemption upon proper notice and sufficient funds shall have been set aside by us for the benefit of the holders of Series E Preferred Shares to effect such redemption.

Holders of depositary shares must act through the depositary to exercise any voting rights, as described under "Description of Depositary Shares—Voting the Series E Preferred Shares."

Conversion

The Series E Preferred Shares are not convertible into or exchangeable for any other securities or property of AXIS Capital.

Limitations on Transfer and Ownership

Holders of the Series E Preferred Shares only have the right to vote in limited circumstances, as set forth above under "—Voting Rights." Pursuant to a mechanism specified in our bye-laws, the voting rights exercisable by a shareholder may be limited. In any situation in which (1) the "controlled shares" of a United States Person would constitute 9.5% or more of the votes conferred by our issued shares and such United States Person would be generally required to recognize income with respect to us under Section 951(a)(1) of the Code, if we were a controlled foreign corporation as defined in Section 957 of the Code and if the ownership threshold under Section 951(b) of the Code were 9.5% or (2) the shares held by a Direct Foreign Shareholder Group would constitute 9.5% or more of the votes conferred by our issued shares, the voting rights exercisable by a shareholder with respect to such shares will be limited so that no U.S. Person or Direct Foreign Shareholder Group is deemed to hold 9.5% or more of the voting power conferred by our shares. In addition, our board of directors may limit a shareholder's voting rights where it deems it necessary to do so to avoid adverse tax, legal or regulatory consequences to us, our subsidiaries, any shareholders or their affiliates.

Under these provisions, certain shareholders may have their voting rights limited to less than one vote per share. Moreover, these provisions could have the effect of reducing the votes of certain shareholders who would not otherwise be subject to the 9.5% limitation by virtue of their direct share ownership. Our bye-laws also provide that shareholders will be notified of their voting interests prior to any vote to be taken by the shareholders.

Depositary, Transfer Agent and Registrar

The depositary for the Series E Preferred Shares is Computershare Inc. and Computershare Trust Company, N.A. The transfer agent and registrar for the Series E Preferred Shares is Computershare Trust Company, N.A. The principal executive office of the depositary, transfer agent and registrar is located at 150 Royall Street, Suite 101, Canton, Massachusetts 02021.

Depositary Shares

Each depositary share represents a 1/100th interest in a Series E Preferred Share, and is evidenced by depositary receipts. We deposited the underlying Series E Preferred Shares with a depositary pursuant to a deposit agreement among us, Computershare Inc. and Computershare Trust Company, N.A., acting as depositary, and the holders from time to time of the depositary receipts evidencing the depositary shares (the "Deposit Agreement"). Subject to the terms of the Deposit Agreement, each holder of a depositary share is entitled, through the depositary, in proportion to the applicable fraction of a Series E Preferred Share represented by such depositary share, to all the rights and preferences of the Series E Preferred Shares represented thereby (including dividend, voting, redemption and liquidation rights).

As used herein, references to "holders" of depositary shares mean those who own depositary shares registered in their own names on the books that we or the depositary maintain for this purpose. DTC is the only registered holder of the depositary receipts representing the depositary shares. References to "holders" of depositary shares do not include indirect holders who own beneficial interests in depositary shares registered in street name or issued in book-entry form through DTC.

Dividends and Other Distributions

Each dividend payable on a depositary share is in an amount equal to 1/100th of the dividend declared and payable on the related Series E Preferred Share.

The depositary distributes any cash dividends or other cash distributions received in respect of the deposited Series E Preferred Shares, including any additional amounts as described under "Series E Preferred Shares—Additional Amounts," to the record holders of depositary shares relating to the underlying Series E Preferred

Shares in proportion to the number of depositary shares held by the holders. If we make a distribution other than in cash, the depositary will distribute any property received by it to the record holders of depositary shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the holders of the depositary shares.

Record dates for the payment of dividends and other matters relating to the depositary shares are the same as the corresponding record dates for the Series E Preferred Shares.

Redemption of Depositary Shares

If we redeem the Series E Preferred Shares represented by the depositary shares, the depositary shares will be redeemed from the proceeds received by the depositary resulting from the redemption of the Series E Preferred Shares held by the depositary. The redemption price per depositary share is expected to be equal to 1/100th of the redemption price per share payable with respect to the Series E Preferred Shares, plus any declared and unpaid dividends.

Whenever we redeem Series E Preferred Shares held by the depositary, the depositary will redeem, as of the same redemption date, the number of depositary shares representing Series E Preferred Shares so redeemed. If fewer than all of the outstanding depositary shares are redeemed, the depositary will select the depositary shares to be redeemed pro rata or in such other manner as we may determine to be fair and equitable. The depositary will mail notice of redemption to record holders of the depositary receipts not less than 30 and not more than 60 days prior to the date fixed for redemption of the Series E Preferred Shares and a corresponding number of depositary shares.

Voting the Series E Preferred Shares

Because each depositary share represents a 1/100th interest in a Series E Preferred Share, holders of depositary receipts are entitled to 1/100th of a vote per depositary share under those limited circumstances in which holders of the Series E Preferred Shares are entitled to a vote.

When the depositary receives notice of any meeting at which the holders of the Series E Preferred Shares are entitled to vote, the depositary will mail the information contained in the notice to the record holders of the depositary shares relating to the Series E Preferred Shares. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the Series E Preferred Shares, may instruct the depositary to vote the amount of the Series E Preferred Shares represented by the holder’s depositary shares. To the extent possible, the depositary will vote the amount of the Series E Preferred Shares represented by depositary shares in accordance with the instructions it receives. We will agree to take all reasonable actions that the depositary determines are necessary to enable the depositary to vote as instructed. If the depositary does not receive specific instructions from the holders of any depositary shares representing the Series E Preferred Shares, it will not vote the amount of the Series E Preferred Shares represented by such depositary shares.

Preemptive and Conversion Rights

The holders of the depositary shares do not have any preemptive or conversion rights.

Depositary, Transfer Agent and Registrar

Computershare, Inc. and Computershare Trust Company, N.A. is the depositary for the depositary shares. Computershare Trust Company, N.A. is the transfer agent and registrar for the depositary shares.

Form of Series E Preferred Shares and Depositary Shares

The depositary shares are issued in book-entry form through DTC, as described in “Book-Entry Procedures and Settlement.” The Series E Preferred Shares are issued in registered form to the depositary.

Listing of Depositary Shares

The depositary shares are listed on the NYSE under the symbol “AXSprE.”

Exhibit 4.12

The Deposit Agreement

Amendment and Termination of the Deposit Agreement

We and the depositary may generally amend the form of depositary receipt evidencing the depositary shares and any provision of the Deposit Agreement at any time without the consent of the holders of depositary shares. However, any amendment that materially and adversely alters the rights of the holders or would materially and adversely inconsistent with the rights granted to the Series E Preferred Shares will not be effective unless such amendment has been approved by holders of depositary shares representing at least a majority of the depositary shares then outstanding.

The Deposit Agreement may be terminated by us or the depositary if:

- all outstanding depositary shares have been redeemed; or
- there has been made a final distribution in respect of the Series E Preferred Shares in connection with our liquidation, dissolution or winding-up, and such distribution has been distributed to the holders of depositary shares.

Fees, Charges and Expenses

We pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements regarding the depositary shares. We also paid all charges of the depositary in connection with the initial deposit of the Series E Preferred Shares and the initial issuance of the depositary shares, and will pay all charges of the depositary in connection with all withdrawals and any redemption of the Series E Preferred Shares. All other transfer and other taxes and governmental charges are at the expense of holders of depositary shares.

Resignation and Removal of Depositary

The depositary may resign at any time by delivering a notice to us of its election to do so. We may remove the depositary at any time by providing notice. Any such resignation or removal will take effect upon the appointment of a successor depositary and its acceptance of such appointment. The successor depository must, generally, be appointed within 60 days after delivery of the notice of resignation or removal and be a person with a principal office in the United States and having a combined capital and surplus (along with its affiliates) of at least $50 million. If a successor is not appointed within 60 days, the outgoing depositary may petition a court to do so.

Miscellaneous

The depositary is not liable for any delays or failures in performance of its obligations under the Deposit Agreement resulting from acts beyond its reasonable control. The depositary is not obligated to appear in, prosecute or defend any legal proceeding relating to any depositary shares or Series E Preferred Shares unless satisfactory indemnity is furnished.

December 14, 2016

Conrad D. Brooks
[Address]

Dear Conrad:

We are delighted that you have decided to continue your service with AXIS Specialty U.S. Services, Inc., a Delaware corporation (the "Company") and wholly owned, indirect subsidiary of AXIS Capital Holdings Limited, a Bermuda company (the "Parent"). We thought it would be useful to lay out the terms and conditions of our agreement in this letter agreement (this "Agreement").

1) Employment

a) Position and Duties. Effective January 2, 2017 the Company shall employ you in the position of Executive Vice President and General Counsel of Parent or in such other position as is mutually agreeable to you and the Company. You will report directly and exclusively to the Chief Executive Officer of the Parent, or any other individual as is mutually agreeable to you and the Company. You will be expected to devote your full business time and energy, attention, skills and ability to the performance of your duties and responsibilities to the Company and its direct and indirect subsidiaries (collectively, the "Parent Group") on an exclusive basis, as requested by the Chief Executive Officer of Parent, and shall faithfully and diligently endeavor to promote the business and best interests of the Company and its subsidiaries and affiliates. Anything herein to the contrary notwithstanding, nothing shall preclude you from (i) upon the written approval of the Parent's Board, serving on the board of directors of another corporation or a trade association; (ii) serving on the board of charitable organizations, (iii) engaging in charitable, community and other business affairs, and (iv) managing your personal investments and affairs; provided such activities do not, in the reasonable judgment of the Company, materially interfere with the proper performance of your responsibilities and duties hereunder.

b) Place of Performance. In connection with your employment during the Employment Term (as defined in Section 3(a)), you shall be based primarily at the Company's offices in Alpharetta, GA, or as may otherwise be mutually agreed, except for necessary travel on Company business.

2) Compensation and Benefits

a) During the Employment Term, your annual base salary shall be no less than $400,000 (the base salary as may be increased from time to time at the sole discretion of the Company, referred to as "Base Salary"), and shall be paid pursuant to the Company's customary payroll practices.

b) In addition to the Base Salary, in each calendar year of the Parent ending during the Employment Term, you will be eligible to earn an annual cash bonus ("Annual Bonus"). Your target Annual Bonus commencing as of the effective date of this Agreement is 80% of your then current Base Salary if the Parent achieves certain performance objectives and subject to your individual performance pursuant to the Parent's annual bonus plan. Except as provided in Section 4 below, the Annual Bonus for each period will be paid only if you are actively employed with the Company on the date of disbursement. Any Annual Bonus payable hereunder shall be paid in the calendar year following the applicable fiscal year of the Parent, after it has been determined by the Compensation Committee of the Parent. Your March 2017 annual bonus shall be calculated using your 2016 target metrics.

c) You will be eligible to participate in the Parent's 2013 Executive Long-Term Equity Compensation Program (the "Program") (as may be amended from time to time) or a successor plan with an initial annual target share or unit award commencing as of the effective date of this Agreement valued at $550,000 subject to the rules of the Program and an award agreement in such form as the Compensation Committee of the Parent may determine from time to time; provided, however, the parties acknowledge and agree that your March 2017 equity award shall be valued at $700,000.

d) During the Employment Term, you will be eligible to participate in or receive benefits under any 401(k) savings plan, medical and dental benefits plan, life insurance plan, short-term and long-term disability plans, supplemental and/or incentive compensation plans, or any other employee benefit or fringe benefit plan, generally made available by the Parent to senior executives in accordance with the eligibility requirements of such plans and subject to the terms and conditions set forth in this Agreement.

e) During the Employment Term, you will be entitled to 25 days of paid vacation per calendar year (prorated for any partial years of employment), subject to the applicable vacation policies and procedures on usage and carry over. You are also eligible for two personal days per year.

f) During the Employment Term, the Company will reimburse you for all reasonable business expenses incurred by you in the course of performing your duties under this Agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Company's requirements with respect to reporting and documentation of expenses. Reimbursements will be paid promptly after submission and review of appropriate documentation, but in any event no later than 2½ months after the end of the calendar year in which the expense was incurred.

3) Term of Employment

a) The employment period shall commence on January 2, 2017 and shall continue until terminated in accordance with this Agreement as follows:

   i) Death. Your employment shall automatically terminate upon your death.

ii) Disability. The Company shall be entitled to terminate your employment if, as a result of your incapacity due to physical or mental illness or injury, you shall have been unable to perform your duties hereunder for a period of 181 days in any twelve-month period (your "Disability").

iii) Cause. The Company may terminate your employment at any time for Cause which, for purposes of this Agreement, shall mean (i) any act or omission which constitutes a material breach by you of the terms of this Agreement, the employment policies of the Parent Group, or applicable law governing the Parent Group or your employment, (ii) the conviction of a felony or commission of any act which would rise to the level of a felony, (iii) the conviction (or commission of any act which would rise to the level of) a lesser crime or offense that adversely impacts or potentially could impact upon the business or reputation of the Parent Group in a material way, (iv) your willful violation of specific lawful and material directives of the Parent that are not contrary to this Agreement, (v) commission of a dishonest or wrongful act involving fraud, misrepresentation or moral turpitude causing damage to the Company, its parent and/or affiliates and subsidiaries, (vi) the willful failure to perform a substantial part of your substantial job functions after written notice from the Board requesting such performance, or (vii) material breach of fiduciary duty.

Anything to the contrary notwithstanding, you shall not be terminated for "Cause" within the meaning of clauses (i) through (vii), above, unless written notice stating the basis for the termination is provided to you and you are given 15 days to cure the event that is the basis of such claim, provided, however, the foregoing right to cure will not apply in the event of a termination for Cause due to any of the acts described in clauses (ii), (iii) or (v), above.

iv) Without Cause. The Company may terminate your employment at any time without Cause; provided, however, that the Company provides you with notice of its intent to terminate at least six (6) months in advance of the date of termination.

v) Voluntary Resignation. You may voluntarily terminate your employment hereunder; provided, however, that in the event you are not terminating for Good Reason pursuant to subparagraphs (vi) and (vii) below, you provide the Company with notice of your intent to terminate at least six (6) months in advance of the date of termination.

vi) Good Reason. You may terminate your employment for Good Reason if (i) (A) the scope of your position, authority or duties as Executive Vice President and General Counsel are materially adversely changed (except for changes during a Notice Period as authorized under Section 3(c) below), (B) your compensation under this Agreement is not paid or your Base Salary or your Target Bonus or equity award is reduced below the levels specified in Sections 2(a) and (b) or there is a material adverse change in your employee benefits (excluding changes in any benefits plan where such changes apply generally to participants in the plan), (C) you are notified by the Company that you are required to relocate to a place more than 50 miles from your place of employment in Alpharetta, GA, (D) you are assigned duties that are materially inconsistent with your position with the Company/Parent, (E) you are required to report to anyone other than the Chief Executive Officer of the Parent or any other individual that is not mutually agreeable to you and the Company; (ii) you give the Company written notice of your intent to terminate your employment as a result of such event and provide the specific reasons therefore within sixty (60) days of such event occurring; (iii) the Company does not make the necessary corrections within sixty (60) days of receipt of your written notice; and (iv) you terminate employment no later than ten (10) days following the end of such sixty (60) day period.

vii) Good Reason following a Change in Control. You may terminate your employment for Good Reason if (i) during the twenty-four (24) month period immediately following a Change in Control (A) the scope of your position, authority or duties is materially adversely changed (except for changes during a Notice Period as authorized under Section 3 (c) below), (B) your compensation under this Agreement is not paid or your Base Salary or your Target Bonus or equity award is reduced below the levels specified in Sections 2(a) and (b) or there is a material adverse change in your employee benefits (excluding changes in any benefits plan where such changes apply generally to participants in the plan), (C)) you are notified by the Company that you are required to relocate to a place more than 50 miles from your current place of employment in Alpharetta, GA, (D) you are assigned duties that are materially inconsistent with your position with the Company/Parent, (E) you are required to report to anyone other than the Chief Executive Officer of the Parent or any other individual that is not mutually agreeable to you and the Company, or (F) in the event that any other person or entity acquires all or substantially all of the Parent Group's business and, the Company fails to obtain the assumption of this Agreement by the successor; (ii) you give the Company written notice of your intent to terminate your employment as a result of such event and provide the specific reasons therefore within sixty (60) days of your knowledge of such event occurring; (iii) the Company does not make the necessary corrections within sixty (60) days of receipt of your written notice; and (iv) you terminate employment no later than ten (10) days following the end of such sixty (60) day period. For purposes of this Agreement, the "Change in Control" will be deemed to have occurred as of the first day any of the following events occur:

1. Any person or entity is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the U.S. Securities Exchange Act of 1934, as amended), directly or indirectly, of securities of the Parent representing 50% or more of the combined voting power of the Parent's then outstanding voting securities entitled to vote generally in the election of directors (the "Outstanding Parent Voting Securities"); provided, however, that for purposes of this Section 3(a)(vii)(1), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Parent, (B) any acquisition by the Parent, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Parent or any affiliate of the Parent or (D) any acquisition by any entity pursuant to a transaction

which complies with clauses (A), (B) and (C) of Section 3(a)(vii)(3) hereof;

2. Individuals who, as of the date of this Agreement, constitute the Board (hereinafter referred to as the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Parent's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered a member of the Incumbent Board, excluding any individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person or entity other than the Board;

3. Consummation of a reorganization, merger, share exchange, amalgamation, recapitalization, consolidation or similar transaction by and among the Parent and another person or entity, including, for this purpose, a transaction as a result of which another person or entity owns the Parent or all or substantially all of the Parent's assets, either directly or through one or more subsidiaries (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Parent Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or equivalent management personnel) of the entity resulting from such Business Combination or that, as a result of such Business Combination, owns the Parent or all or substantially all of the Parent's assets, either directly or through one or more subsidiaries, in substantially the same proportions as their ownership of the Outstanding Parent Voting Securities immediately prior to such Business Combination; (B) no person or entity (excluding any entity resulting from such Business Combination, or that, as a result of such Business Combination, owns the Parent or all or substantially all of the Parent's assets, either directly or through one or more subsidiaries, or any employee benefit plan (or related trust) of the foregoing) beneficially owns, directly or indirectly, 50% or more of the then outstanding shares of common stock or the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or equivalent management personnel) of the entity resulting from such Business Combination or that, as a result of such Business Combination, owns the Parent or all or substantially all of the Parent's assets, either directly or through one or more subsidiaries, except to the extent that such ownership existed with respect to the Parent prior to

the Business Combination; or (C) at least a majority of the members of the board of directors (or equivalent management personnel) of the entity resulting from such Business Combination or that, as a result of such Business Combination, owns the Parent or all or substantially all of the Parent's assets, either directly or through one or more subsidiaries, were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, pursuant to which such Business Combination is effected or approved; or

4. Approval by the shareholders of the Parent of a complete liquidation or dissolution of the Parent or the sale or other disposition of all or substantially all of the Parent's assets.

a) Any termination of your employment by the Company or by you under this Section 3 (other than termination pursuant to Section 3(a)(i)) shall be communicated by a written notice to the other party hereto indicating the specific termination provision in this Agreement relied upon and specifying a date of termination.

b) The period between the date notice of termination is provided and your termination date shall be referred to as the "Notice Period." During any Notice Period, the Company may, in its absolute discretion (i) require you to perform only such portion of your normal duties as it may allocate to you from time to time, (ii) require you not to perform any of your duties, (iii) require you not to have any contact with customers or clients of the Company nor any contact (other than purely social contact) with such employees of the Company as the Company shall determine, (iv) exclude you from any premises of the Company, and/or (v) require you to resign from all directorships and other offices that you hold in connection with your employment with the Company (including any directorships with subsidiaries or other affiliates of the Company) effective as of any date during the Notice Period. If the Company elects to take any such action, such election shall not constitute a breach by the Company of this Agreement or Good Reason for you to terminate your Employment under Sections 3(a)(vi) or (vii) and you shall not have any claim against the Company in connection therewith so long as, during the Notice Period, the Company continues to pay to you your Base Salary, Annual Bonus and equity and all of the other amounts described in Section 2 of this Agreement (to the extent permitted under applicable law) at the same time as such amounts would have been paid had you remained an active employee.

4) Severance Payments and Other Benefits Following Termination of Employment

a) In the event that your employment with the Company shall terminate for any reason, and except as otherwise set forth in this Agreement, the Company's sole obligation under this Agreement shall be to pay to you any accrued but unpaid Base Salary for services rendered to the date of termination, any accrued but unpaid expenses required to be reimbursed under this Agreement, any unused vacation accrued to the date of termination. For the sake of clarity, this Section 4(a) does not limit any rights you may have under the Company's retirement or welfare plans.

b) Death. In the event your employment is terminated due to your death pursuant to Section 3(a)(i), then in addition to the amounts provided under Section 4(a) above:

i) Your beneficiary will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination; and

ii) All outstanding and unvested restricted stock units granted pursuant to the 2007 Long-Term Equity Compensation Plan as it may be amended from time to time, or any successor plan, unless prohibited by such successor plan ("Restricted Stock Units"), shall immediately vest upon said termination.

c) Disability. In the event that the Company terminates your employment due to your Disability, pursuant to Section 3(a)(ii), then in addition to the amounts provided under Section 4(a) above:

i) You will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination; and

ii) All outstanding and unvested Restricted Stock Units shall immediately vest upon said termination.

d) Termination by the Company without Cause. In the event that the Company terminates your employment without Cause in accordance with the provisions of Section 3(a)(iv) hereof, and conditioned on your compliance with this Agreement during the Notice Period (but not for any other reason, including without limitation under Sections 3(a)(i), (ii), (iii), or (v)), then in addition to the amounts you have received during the Notice Period and any other amounts provided in Section 4(a), but subject to your timely satisfaction of the condition precedent in Section 4(h) below, the following will be provided to you following the termination of the Notice Period:

i) You will be paid a lump sum amount equal to one year's Base Salary at the rate in effect immediately prior to said termination, to be paid no later than sixty (60) days following your termination;

ii) With respect to the Annual Bonus for the calendar year prior to the calendar year in which your termination occurs, you will be excused from the requirement in Section 2(b) that you must be actively employed with the Company on the date of disbursement in order to receive the Bonus;

iii) You will be paid an amount equal to the Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

iv) You will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

v) You will be paid an amount equal to the premiums you would have paid if you had elected COBRA under the Company group health, dental and vision plans, as applicable, at the same level of coverage as you had immediately prior to your termination, for the twelve (12) month period following your termination. Such payment shall be paid in a lump sum no later than sixty (60) days following your termination; and

vi) In the event that the Company terminates your employment without Cause in accordance with the provisions of Section 3(a)(iv), then subject to your compliance with the obligations set forth in Sections 5, 7, 8, 9 and 10 below, all outstanding and unvested Restricted Stock Units shall immediately vest upon said termination.

e) Termination by the Company without Cause Following Change in Control. In the event that within 24 months following a Change in Control as defined in Section 3(a)(vii) (1 – 4) hereof the Company terminates your employment without Cause, (but not for any other reason, including without limitation under Sections 3(a)(i), (ii), (iii), or (v)) then in addition to the amounts you have received during the Notice Period and any other amounts provided in Section 4(a), but subject to your timely satisfaction of the condition precedent in Section 4(h) below, the following will be provided to you following the termination of the Notice Period:

i) You will be paid a lump sum amount equal to one (1) years's Base Salary at the rate in effect immediately prior to said termination, to be paid no later than sixty (60) days following your termination;

ii) With respect to the Annual Bonus for the calendar year prior to the calendar year in which your termination occurs, you will be excused from the requirement in Section 2(b) that you must be actively employed with the Company on the date of disbursement in order to receive the Bonus;

iii) You will be paid an amount equal to two times the Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

iv) You will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

v) You will be paid an amount equal to the premiums you would have paid if you had elected COBRA under the Company group health, dental and vision plans, as applicable, at the same level of coverage as you had immediately prior to your termination, for the twelve (12) month period following your termination. Such payment shall be paid in a lump sum no later than sixty (60) days following your termination; and

vi) All outstanding and unvested Restricted Stock Units shall immediately vest upon said termination.

f) Termination by You for Good Reason. In the event that you terminate for Good Reason in accordance with the provisions of Section 3(a)(vi) hereof, (but not for any other reason, including without limitation under Sections 3(a)(i), (ii), (iii), or (v)) then in addition to the amounts provided in Section 4(a), but subject to your timely satisfaction of the condition precedent in Section 4(h) below, the following will be provided to you:

i) You will be paid a lump sum amount equal to one year's Base Salary at the rate in effect immediately prior to said termination, to be paid no later than sixty (60) days following your termination;

ii) With respect to the Annual Bonus for the calendar year prior to the calendar year in which your termination occurs, you will be excused from the requirement in Section 2(b) that you must be actively employed with the Company on the date of disbursement in order to receive the Bonus;

iii) You will be paid an amount equal to the Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

iv) You will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

v) You will be paid an amount equal to the premiums you would have paid if you had elected COBRA under the Company group health, dental and vision plans, as applicable, at the same level of coverage as you had immediately prior to your termination, for the twelve (12) month period following your termination. Such payment shall be paid in a lump sum no later than sixty (60) days following your termination; and

vi) In the event that you terminate for Good Reason in accordance with the provisions of Section 3(a)(vi), then subject to your compliance with the obligations set forth in

Sections 5, 7, 8, 9 and 10 below, all outstanding and unvested Restricted Stock Units shall immediately vest upon said termination.

g) Termination by You for Good Reason Following Change in Control. In the event that within 24 months following a Change of Control as defined in Section 3(a)(vii) (1 – 4) hereof you terminate for Good Reason in accordance with the provisions of Section 3(a)(vii) hereof, (but not for any other reason, including without limitation under Sections 3(a)(i), (ii), (iii), or (v)) then in addition to the amounts provided in Section 4(a), but subject to your timely satisfaction of the condition precedent in Section 4(h) below, the following will be provided to you:

i) You will be paid a lump sum amount equal to one (1) year's Base Salary at the rate in effect immediately prior to said termination, to be paid no later than sixty (60) days following your termination;

ii) With respect to the Annual Bonus for the calendar year prior to the calendar year in which your termination occurs, you will be excused from the requirement in Section 2(b) that you must be actively employed with the Company on the date of disbursement in order to receive the Bonus;

iii) You will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

iv) You will be paid an amount equal to two times the Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

v) You will be paid an amount equal to the premiums you would have paid if you had elected COBRA under the Company group health, dental and vision plans, as applicable, at the same level of coverage as you had immediately prior to your termination, for the twelve (12) month period following your termination. Such payment shall be paid in a lump sum no later than sixty (60) days following your termination; and

vi) All outstanding and unvested Restricted Stock Units shall immediately vest upon said termination.

h) No severance benefits or payments provided pursuant to this Section 4, other than the amounts described in Section 4(a), will be provided to you unless you execute a waiver and release in the form specified in Exhibit A hereto (with such changes as may be required due to change in applicable law or regulation) within forty-five (45) days following your employment termination date and do not revoke such release. To the extent required to avoid penalty taxes under Section 409A of the Internal Revenue Code of 1986, as amended, and all Treasury Regulations and guidance promulgated thereunder

("Section 409A of the Code"), in the event that any payment or benefit payable pursuant to Section 4 of this Agreement is subject to Section 409A of the Code and can be paid in more than one taxable year depending on when you execute the waiver and release agreement, such payment shall be made in the second taxable year.

i) In the event of any termination of your Employment by the Company, or by you in conformity with this Agreement, you shall be under no obligation to seek other employment, and there shall be no offset against amounts due you under this Agreement on account of any remuneration attributable to any subsequent employment you may obtain. Any amounts due under this Section 4 are considered to be reasonable by the Company and not in the nature of a penalty.

5) Resignation from Directorships and Other Offices

In addition, upon your termination of employment with the Company for any reason, you agree to resign from all directorships and other offices that you hold in connection with your employment with the Company (including any directorships with subsidiaries or other affiliates of the Company).

6) Conflict of Interest

During employment with the Company, you may not use your position, influence, knowledge of Confidential Information or Trade Secrets or the Company's assets for personal gain. A direct or indirect financial interest (excluding investments in mutual funds or other similar investment vehicles), including joint ventures in or with a supplier, vendor, customer or prospective customer without disclosure and the express written approval of the Chief Executive Officer of the Parent is strictly prohibited during employment with the Company.

7) Confidential Information

a) As an executive of the Company, you will learn or have access to, or may assist in the development of, highly confidential and sensitive information and trade secrets about the Company, its operations, its subsidiaries and affiliates, its employees, and its customers, which are the property of the Company. Such Confidential Information and Trade Secrets include but are not limited to: (i) financial and business information relating to the Company, such as information with respect to costs, commissions, fees, profits, expenses, sales, markets, mailing lists, strategies and plans for future business, new business, product or other development, potential acquisitions or divestitures, and new marketing ideas; (ii) product and technical information relating to the Company, such as product formulations, new and innovative product ideas, methods, procedures, devices, machines, equipment, data processing programs, software, software codes, computer models, and research and development projects; (iii) customer information, such as the identity of the Company's customers, the names of representatives of the Company's customers responsible for entering into contracts with the Company, the amounts paid by such customers to the Company, specific customer needs and requirements, specific customer risk characteristics, policy expiration dates, policy terms and conditions, information regarding the markets or sources with which insurance is placed, and leads and referrals to prospective customers; (iv) personnel information, such as the identity and number of the Company's other employees, their salaries, bonuses, benefits, skills, qualifications, and abilities; (v) any and all information in whatever form relating to any client or prospective customer of the Company, including but not limited to, its business, employees, operations, systems, assets, liabilities, finances, products, and marketing, selling and operating practices; (vi) any information not included in (i) or (ii) above which you know or should know is subject to a restriction on disclosure or which you know or should know is considered by the Company or the Company's customers or prospective customers to be confidential, sensitive, proprietary or a trade secret or is not readily available to the public; and (vii) intellectual property, including inventions and copyrightable works. Confidential Information and Trade Secrets are not generally known or available to the general public, but have been developed, compiled or acquired by the Company at its great effort and expense. Confidential Information and Trade Secrets can be in any form: oral, written or machine readable, including electronic files, but shall not included any information known generally to the public or within the Company's industry.

b) You acknowledge and agree that the Company is engaged in a highly competitive business and that its competitive position depends upon its ability to maintain the confidentiality of the Confidential Information and Trade Secrets which were developed, compiled and acquired by the Company at its great effort and expense. You further acknowledge and agree that any disclosing, divulging, revealing, or using of any of the Confidential Information and Trade Secrets, other than in connection with the Company's business or as appropriate to carry out your duties for the Parent Group, will be highly detrimental to the Company and cause it to suffer serious loss of business and pecuniary damage.

c) Accordingly, you agree that you will not, while associated with the Company and for so long thereafter as the pertinent information or documentation remains confidential, for any purpose whatsoever, directly or indirectly use, disseminate or disclose to any other person, organization or entity Confidential Information or Trade Secrets, except as appropriate to carry out your duties as an executive of the Parent and except (i) as expressly authorized by the Chief Executive Officer of the Company, (ii) appropriate to enforce the terms of this Agreement, or (iii) required by law or legal process; provided, that you give notice to the Company promptly on becoming aware of any obligations to disclose such information under this provision, and not less than ten days prior to making any such disclosure.

d) Immediately upon the termination of employment with the Company for any reason, or at any time the Company so requests, you will return to the Company: (i) any originals and all copies of all files, notes, documents, slides (including transparencies), computer disks, printouts, reports, lists of the Company's clients or leads or referrals to prospective clients, and other media or property in Employee's possession or control which contain or pertain to Confidential Information or Trade Secrets; and (ii) all property of the Company, including, but not limited to, supplies, keys, access devices, books, identification cards, computers, telephones and other equipment.

8) Intellectual Property

a) You agree that all inventions, improvements, products, designs, specifications, trademarks, service marks, discoveries, formulae, processes, software or computer programs, modifications of software or computer programs, data processing systems, analyses, techniques, trade secrets, creations, ideas, work product or contributions thereto, and any other intellectual property, regardless of whether patented, registered or otherwise protected or protectable, and regardless of whether containing or constituting Trade Secrets or Confidential Information as defined in this Agreement (referred to collectively as "Intellectual Property"), that were conceived, developed or made by you during the period of your employment by the Company and that relate directly to the Company's insurance and reinsurance business and any other business in which the Company was engaged as of the date of your termination of employment with the Company (the "Proprietary Interests"), shall belong to and be the property of the Company.

b) You further covenant and agree that you will: (i) promptly disclose such Intellectual Property to the Company; (ii) make and maintain for the Company, adequate and current written records of your innovations, inventions, discoveries and improvements; (iii) assign to the Company, without additional compensation, the entire rights to Intellectual Property for the United States and all foreign countries; (iv) execute assignments and all other papers and do all acts necessary to carry out the above, including enabling the Company to file and prosecute applications for, acquire, ascertain and enforce in all countries, letters patent, trademark registrations and/or copyrights covering or otherwise relating to Intellectual Property and to enable the Company to protect its proprietary interests therein; and (v) give testimony, at the Company's expense, in any action or proceeding to enforce rights in the Intellectual Property.

c) You further covenant and agree that it shall be conclusively presumed as against you that any Intellectual Property related to the Proprietary Interests described by you in a patent, service mark, trademark, or copyright application, disclosed by you in any manner to a third person, or created by you or any person with whom you have any business, financial or confidential relationship, within one (1) year after cessation of your employment with the Company, was conceived or made by you during the period of employment by the Company and that such Intellectual Property be the sole property of the Company.

d) Nothing in this Section 8 shall be construed as granting or implying any right to you under any patent or unpatented intellectual property right of the Company, or your right to use any invention covered thereby.

e) In the event that you are requested or required (by oral questions, interrogatories, requests for information or documents, subpoena or similar process) to disclose any information protected by Sections 7 and 8 (collectively, "Restricted Material,") you agree to provide the Company with prompt notice of such request(s) so that the Company may seek an appropriate protective order or other appropriate remedy and/or waive your compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or that the Company grants a waiver hereunder, you may furnish that portion (and only that portion) of the Restricted Material which you are legally compelled to disclose and will exercise your reasonable best efforts to obtain reliable assurance that confidential treatment will be accorded any Restricted Material so furnished.

9) Non-Competition

a) You acknowledge and agree that the Company is engaged in a highly competitive business and that by virtue of your senior executive position and responsibilities with the Company and your access to the Confidential Information and Trade Secrets, engaging in any business which is directly competitive with the Company during the six (6) month period following the termination of your employment will cause it great and irreparable harm.

b) Accordingly, you covenant and agree that so long as you are employed by the Company and for a period of six (6) months after such employment ends for any reason whatsoever, whether voluntarily or involuntarily and whether with or without cause, you will not, without the express written consent of the Chief Executive Officer of the Parent, directly or indirectly, own, manage, operate or control, or be employed in the same or substantially the same position or duties as the position(s) held by you with the Company or the Parent, by any company or entity engaged in the insurance or reinsurance business in which the Company is engaged or has announced an intention to become engaged as of the date of termination of employment, and for which you had responsibility or about which you had knowledge of or access to Confidential Information and Trade Secrets. In recognition of the nature of the Company's business, which includes the sale of its products and services throughout the Alpharetta, GA and New York, NY area, and the nature of your senior executive position, this restriction shall only apply throughout a 50 mile radius from the Company's Alpharetta, GA and New York, NY offices. In the event that the Company exercises its right to relieve you of your normal duties during the Notice Period as set forth and described in Section 3(c)(i) – (iv) of this Agreement (a "Garden Leave Period"), then the six (6) month non-competition period shall be reduced on a day-for-day basis by any such Garden Leave Period.

10) Non-Solicitation of Employees

a) You acknowledge and agree that solely as a result of employment with the Company, and in light of the broad responsibilities of such employment which include working with other employees of the Company, you have and will come into contact with and acquire Confidential Information and Trade Secrets regarding other employees of the Company, and will develop relationships with those employees.

Accordingly, you covenant and agree that for so long as you are employed by the Company and for a period of six (6) months after such employment ends for any reason whatsoever, whether voluntarily or involuntarily and whether with or without cause, you shall not, either on your own account or on behalf of any person, company, corporation, or other entity, directly or indirectly, solicit any employee of the Company to leave employment with the Company. This restriction shall apply to those employees of the

Company with whom you came into contact or about whom you obtained Confidential Information or Trade Secrets during the last two (2) years of your employment with the Company.

11) Enforcement

a) The parties acknowledge and agree that compliance with the covenants set forth in this Agreement is necessary to protect the Confidential Information and Trade Secrets, business and goodwill of the Company, and that any breach of this Agreement will result in irreparable and continuing harm to the Company, for which money damages may not provide adequate relief. Accordingly, in the event of any breach or anticipatory breach of this Agreement by you, or your claim in a declaratory judgment action that all or part of this Agreement is unenforceable, the parties agree that the Company shall be entitled to the following particular forms of relief as a result of such breach, in addition to any remedies otherwise available to it at law or equity: (a) injunctions, both preliminary and permanent, enjoining or restraining such breach or anticipatory breach, and you consent to the issuance thereof forthwith and without bond by any court of competent jurisdiction; and (b) recovery of all reasonable sums and costs, including attorneys' fees, incurred by the Company to defend or enforce the provisions of this Agreement if you argue that such covenants are unreasonable or unenforceable. In addition to any and all remedies available to the Company upon breach of this Agreement, the Company expressly reserves the right to stop all future payments and recoup all prior payments made under this Agreement upon a final judicial determination, arbitration, mediation or agreement that a breach of its terms has occurred.

b) The parties hereto hereby declare that it is impossible to measure in money the damages that will accrue to the Company by reason of your failure to perform any of your obligations under Sections 7, 8, 9, and 10. Accordingly, if the Company institutes any action or proceeding to enforce the provisions hereof, to the extent permitted by applicable law, you hereby waive the claim or defense that the Company has an adequate remedy at law, and you shall not urge in any such action or proceeding the defense that any such remedy exists at law. The foregoing rights shall be in addition to any other rights and remedies available to the Company under law or in equity.

c) If any of the covenants contained in Sections 7, 8, 9, and 10, or any part thereof, is construed to be invalid or unenforceable, the same shall not affect the remainder of the covenant or covenants, which shall be given full effect, without regard to the invalid portion(s). In addition, if any of the covenants contained in Sections 7, 8, 9, and 10 hereof, or any part thereof, is held by any person or entity with jurisdiction over the matter to be invalid or unenforceable because of duration of such provision or the geographical area covered thereby, the parties agree that such person or entity shall have the power to reduce the duration and/or geographical area of such provision and, in its reduced form, said provisions shall then be enforceable.

d) It is understood and agreed that no failure or delay by the Company in exercising any right, power or privilege contained in Sections 7, 8, 9, and 10 shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege contained in Sections 7, 8, 9, or 10.

e) It is understood and agreed that references to the "Company" in the foregoing Sections 7, 8, 9 and 10 include the Company, Parent and its affiliates.

12) Disclosure of Agreement

You agree that you will promptly disclose the existence of this Agreement and the post-employment restrictions contained herein to all subsequent employers until all such covenants have expired.

13) Confidential Information Belonging to Others

You affirm that you have informed the Company of any restrictive covenant or other contract or agreement of any kind which would prohibit, restrict or limit your employment with the Company. If you learn or become aware or are advised that you are subject to an additional actual or alleged restrictive covenant or other prior agreement which may prohibit or restrict employment by the Company, you shall immediately notify the Company of the same. You agree that you shall not disclose to the Company, use for the Company's benefit, or induce the Company to use any trade secret or confidential information you may possess or any Intellectual Property belonging to any former employer or other third party.

14) Choice of Forum

The Parent is an international holding (re)insurance company, and has subsidiaries that conduct business in the United States (including New York) and other countries. You and the Company are desirous of having any disputes resolved in a forum having a substantial body of law and experience with the matters contained herein. As a result, you and the Company have a strong interest in providing a single forum and governing law for the convenience of you and the Company to resolve any and all legal claims. In addition, you recognize that the Company's and the Parent's savings from limiting the forum for legal claims allow them and their affiliates to maintain lower business expenses, which help all of them provide more cost effective and competitive insurance products and services. For all of these reasons, you and the Company agree that any action or proceeding brought in any court or other forum with respect to this Agreement and Employee's employment shall be brought exclusively in the Supreme Court of the State of New York, New York County, or in the United States District Court for the Southern District of New York, or in any other court of competent jurisdiction sitting in the County and State of New York, and the parties agree to the personal jurisdiction thereof. The parties hereby irrevocably waive any objection they may now or hereafter have to the laying of venue of any such action in the said court(s), and further irrevocably waive any claim they may now or hereafter have that any such action brought in said court(s) has been brought in an inconvenient forum. The parties recognize that, should any dispute or controversy arising from or relating to this agreement be submitted for adjudication to any court or other third party, the preservation of the secrecy of Confidential Information or Trade Secrets may be jeopardized. Consequently, the parties agree that all issues of fact shall be tried without a jury.

15) Governing Law

You and the Company agree that for the reasons recited in the foregoing paragraph 14, this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its conflict of laws provisions.

16) Section 409A and 457A

Although the Company does not guarantee the tax treatment of any payments under the Agreement, the intent of the Company is that the payments and benefits under this Agreement be exempt from, or comply with, Section 409A of the Code and to the maximum extent permitted the Agreement shall be limited, construed and interpreted in accordance with such intent. In no event whatsoever shall the Company or its affiliates or their respective officers, directors, employees or agents be liable for any additional tax, interest or penalties that may be imposed on Executive by Code Section 409A or damages for failing to comply with Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, to the extent that any reimbursement of expenses constitutes "deferred compensation" under Section 409A of the Code, such reimbursement shall be provided no later than December 31 of the year following the year in which the expense was incurred (or, where applicable, no later than such earlier time required by the Agreement). The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any in-kind benefits provided in one year shall not affect the amount of in-kind benefits provided in any other year. Notwithstanding any other provision of this Agreement to the contrary, and to the extent required by Section 409A of the Code (as amended from time to time), in the event that payment of nonqualified deferred compensation made pursuant to this Agreement is based upon or attributable to your termination of employment and you are at the time of your termination a "Specified Employee," then any payment of nonqualified deferred compensation otherwise required to be made to you shall be deferred and paid in a lump sum to you on the day after the date that is six (6) months from the date of your "Separation from Service" within the meaning of Section 409A of the Code; provided, however, if you die prior to the expiration of such six (6) month period, payment to your beneficiary shall be made as soon as practicable following your death. You will be a "Specified Employee" for purposes of this Agreement if, on the date of your Separation from Service, you are an individual who is, under the method of determination adopted by the Company designated as, or within the category of employees deemed to be, a "specified employee" within the meaning and in accordance with Treasury Regulation Section 1.409A-1(i). The Company shall determine in its sole discretion all matters relating to who is a "Specified Employee" and the application of and effects of the change in such determination. No payments contemplated by this Agreement are intended to be nonqualified deferred compensation for purposes of Section 457A of the Code and to the maximum extent permitted the Agreement shall be limited, construed and interpreted in accordance with such intent.

17) Indemnification

The Parent shall indemnify you to the same extent and by the same means as provided to other officers generally (excluding the Parent's Chief Executive Officer).

18) Miscellaneous

a) Any notice or other communication required or permitted under this Agreement shall be effective only if it is in writing and shall be deemed to be given when delivered personally or three days after it is mailed by registered or certified mail, postage prepaid, return receipt requested or one day after it is sent by a reputable overnight courier service and, in each case, addressed to the relevant party at the address provided for such party on the first page hereof, or to such other address as any party hereto may designate by notice to the other in accordance with the foregoing.

b) This Agreement constitutes the entire agreement among you and the Company, the Parent and any affiliate with respect to your employment by the Company, and supersedes and is in full substitution for any and all prior understandings or agreements with respect to your employment including, but not limited to, the offer letter to you from AXIS, dated November 6, 2006. This Agreement shall be binding upon execution by both parties, it being understood and agreed that your assignment as Parent's Executive Vice President and General Counsel shall not commence until January 2, 2017.

c) This Agreement may be amended only by an instrument in writing signed by the parties hereto, and any provision hereof may be waived only by an instrument in writing signed by the party against whom or which enforcement of such waiver is sought. Any amendment to this Agreement must comply with the requirements of Section 409A of the Code.

d) The Company shall withhold from any compensation and benefits payable under this Agreement all applicable U.S. federal, state, local, or other taxes.

e) Except as otherwise set forth herein, in the event of any contest or dispute between you and the Company with respect to this Agreement, each of the parties shall be responsible for their respective legal fees and expenses.

f) If any term or provision of this Agreement is declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, such term or provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

g) Except as otherwise provided in this Agreement, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, representatives, successors and assigns. Your rights and benefits under this Agreement are personal to you and no such right or benefit shall be subject to voluntary or involuntary alienation, assignment or transfer; provided, however, that nothing in this Section 18 shall preclude you from designating a beneficiary or beneficiaries to receive any benefit payable on your death.

h) The headings in this Agreement are inserted for convenience of reference only and shall not be a part of or control or affect the meaning of any provision hereof.

i) Except as otherwise expressly set forth in this Agreement, to the extent necessary to carry out the intentions of the parties hereunder, the respective rights and obligations of the parties hereunder shall survive any termination of your employment or expiration or termination of this Agreement.

j) Nothing in this Agreement shall be construed as giving you any claim against any specific assets of the Company, Parent or any affiliate or as imposing any trustee relationship upon the Company in respect of you. The Company shall not be required to establish a special or separate fund or to segregate any of its assets in order to provide for the satisfaction of its obligations under this Agreement. Your rights under this Agreement shall be limited to those of an unsecured general creditor of the Company, Parent and its affiliates;

k) Both parties, through their respective counsel, have participated in the preparation of this Agreement and its Exhibit A. Accordingly, both parties shall be deemed to be the drafter of this Agreement or its Exhibit A for purposes of construing their provisions. The language in all parts of this Agreement and its exhibits shall be interpreted according to its fair meaning, and shall not be interpreted for or against either of the Parties as the drafter of the language.

If the terms of this Agreement meet with your approval, please sign and return one copy to the Company.

AXIS SPECIALTY U.S. SERVICES, INC.

By: /s/ Andrew M. Weissert
Name: Andrew M. Weissert
Title: Sr. Vice President

Accepted and Agreed
as of the date first set forth above:

/s/ Conrad D. Brooks
Conrad D. Brooks

Exhibit A to Employment Agreement

GENERAL RELEASE AND WAIVER

In consideration of the payment by AXIS Specialty U.S. Services, Inc. (the "Company") to or for the benefit of Conrad D. Brooks of the payments and benefits set forth in that certain Employment Agreement by and between Conrad D. Brooks ("Executive") and the Company effective January 2, 2017 ("Employment Agreement"), and in compliance with the terms of the Employment Agreement, Executive hereby makes and delivers to the Company this General Release and Waiver ("Release") as set forth herein:

Release of All Claims

Executive voluntarily, knowingly and willingly on behalf of himself, his heirs, executors, administrators, successors and assigns, hereby irrevocably and unconditionally release the Company, its parents, their subsidiaries, divisions and affiliates, together with their respective owners, assigns, agents, directors, partners, officers, employees, consultants, shareholders, attorneys and representatives, and any of their predecessors and successors and each of their estates, heirs and assigns (collectively, the "Company Releasees") from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, causes of action, rights, costs, losses, debts and expenses of any nature whatsoever, known or unknown, which he or his heirs, executors, administrators, successors or assigns ever had, now have or hereafter can, will or may have (either directly, indirectly, derivatively or in any other representative capacity) against the Company or any of the other Company Releasees by reason of any matter, cause or thing whatsoever arising on or before the date this General Release and Waiver is executed by Executive. In addition, this Release includes, without limitation, any rights or claims relating in any way to any and all employment relationships between Executive and the Company or any of the Company Releasees, or the termination thereof, arising under the Employment Act 2000 of Bermuda, the Human Rights Act 1981 of Bermuda, Title VII of the Civil Rights Act of 1964, Sections 1981 through 1988 of Title 42 of the United States Code, The Employee Retirement

Income Security Act of 1974 ("ERISA") (except for any vested benefits under any tax qualified benefit plan), The Immigration Reform and Control Act, The Americans with Disabilities Act of 1990, The Age Discrimination in Employment Act of 1967 (“ADEA”), The Workers Adjustment and Retraining Notification Act, The Fair Credit Reporting Act, New York State Human Rights Law, New York Human Rights Law, New York Rights of Persons With Disabilities, New York Confidentiality of Records of Genetic Tests, New York Whistleblower Law, New York Statutory Provision Regarding Retaliation/Discrimination for Filing a Workers’ Compensation Claim, New York Adoptive Parents’ Child Care Leave Law, New York Smokers’ Rights Law, New York Equal Pay Law, New York AIDS Testing Confidentiality Act, New York Nondiscrimination Against Genetic Disorders Law, New York Bone Marrow Leave Law, New York Equal Rights Law, New York Confidentiality of Records of Genetic Tests, New York Executive Law Section 290 et seq., The New York State Labor Relations Act, the general regulations of the New York State Division of Human Rights, The New York Labor Law, The New York Wage Hour and Wage Payment Laws, The New York Minimum Wage Law, as amended, The New York City Administrative Code, New York State Public Employee Safety and Health Act, New York Executive Law §290 et seq., the New York City Charter and Administrative Code, New York Labor Law §740 et seq., the New York Legal Activities Law, New York Labor Law §201-d, the New York occupational safety and health laws, the New Jersey Law Against Discrimination – N.J. Rev. Stat. §10:5-1 et seq,, New Jersey Statutory Provision Regarding Retaliation/Discrimination for Filing a Workers’ Compensation Claim – N.J. Rev. Stat. §34:15-39.1 et seq., New Jersey Family Leave Act – N.J. Rev. Stat. §34:11B-1 et seq., New Jersey Smokers’ Rights Law – N.J. Rev. Stat. §34:6B-1 et seq., New Jersey Equal Pay Act – N.J. Rev. Stat. §34:11-56.1 et seq., New Jersey Genetic Privacy Act – N.J. Rev. Stat. Title 10, Ch. 5, §10:5-43 et seq., New Jersey Conscientious Employee Protection Act (Whistleblower Protection) – N.J. Stat. Ann. §34:19-3 et seq., New Jersey Wage Payment and Work Hour Laws, The New Jersey Public Employees’ Occupational Safety and Health Act- N.J. Stat. Ann. §34:6A-25 et seq., New Jersey Fair Credit Reporting Act, and the New Jersey laws regarding Political Activities of Employees, Lie Detector Tests, Jury Duty, Employment Protection, and Discrimination, and any other federal, state or local law, statute, rule, regulation, or ordinance, any public policy, contract, tort, or common law whether of any state in the United States or Bermuda; or any basis for recovering costs, fees, or other expenses including attorneys' fees incurred in these matters. Notwithstanding anything in this Release to the contrary, Executive is not waiving, and shall not be deemed to have waived, any entitlements under the terms of the Employment Agreement, the Company’s Bye-Laws or the applicable terms of any other agreement, plan or program of the Company or its affiliates that survive a termination of employment.

Acknowledgements and Affirmations

Executive affirms and agrees that the Company has fulfilled all of its obligations to him under Bermudan employment law, including without limitation the Employment Act 2000 as may be amended from time to time, and has not violated his rights under Bermudan employment law. Executive affirms and acknowledges that the payments, that are referenced in this Release fully, fairly and finally compensate him for any and all monies that may be due or become to him under Bermudan law in connection with his employment or termination of his employment, including without limitation any severance allowance or repatriation expenses.

By signing this Release, Executive represents that Executive has not commenced or joined in any claim, charge, action or proceeding whatsoever against the Company or any of the Company Releasees with respect to the matters released hereby. Executive further represents that he will not be entitled to any personal recovery in any action or proceeding of any nature whatsoever against the Company or any of the other Company Releasees that may be commenced on his behalf arising out of any of the matters released hereby.

Executive also affirms that he has been paid and/or has received all compensation, wages, bonuses and/or commissions to which he may be entitled prior to the date hereof except as expressly provided in, or preserved by, this Release and Section 4 of the Employment Agreement. Executive affirms he has been granted any leave to which he was entitled under the Employment Act 2000 of Bermuda, the Family and Medical Leave Act or similar state or local leave or disability accommodation laws. Executive further affirms that he has no unreported workplace injuries or occupational diseases. The Company acknowledges that it shall comply with Section 4 of the Employment Agreement.

Return and Possession of Property

Executive affirms that he has returned all of the Company's property, documents, and/or any confidential information in his possession or control to which he is not entitled.

Effect of Violation by Executive of Employment Agreement

Executive affirms and acknowledges that the provisions of Sections 7-10 of the Employment Agreement remain in full force and effect as to him according to their terms.

No Admission by Company

The Company's acceptance and acknowledgement of this Release and the payments and benefits set forth herein are not, and shall not be construed as, any admission of liability or wrongdoing on the part of the Company or any of the Company Releasees.

Revocation Rights

EXECUTIVE IS ADVISED THAT HE HAS UP TO TWENTY-ONE (21) CALENDAR DAYS TO CONSIDER THIS GENERAL RELEASE AND WAIVER. EXECUTIVE ALSO IS ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO HIS SIGNING OF THIS GENERAL RELEASE AND WAIVER.

EXECUTIVE MAY REVOKE THIS GENERAL RELEASE AND WAIVER FOR A PERIOD OF SEVEN (7) CALENDAR DAYS FOLLOWING THE DAY HE SIGNS THIS AGREEMENT AND GENERAL RELEASE. ANY REVOCATION WITHIN THIS PERIOD MUST BE SUBMITTED, IN WRITING, TO THE AXIS GENERAL COUNSEL AND STATE, "I HEREBY REVOKE MY ACCEPTANCE OF OUR AGREEMENT AND GENERAL RELEASE." THE REVOCATION MUST BE PERSONALLY DELIVERED TO THE GENERAL COUNSEL OR HIS/HER DESIGNEE, OR MAILED TO THE GENERAL COUNSEL AND POSTMARKED WITHIN SEVEN (7) CALENDAR DAYS AFTER EXECUTIVE SIGNS THIS AGREEMENT AND GENERAL RELEASE.

EXECUTIVE AGREES THAT ANY MODIFICATIONS, MATERIAL OR OTHERWISE, MADE TO THIS AGREEMENT AND GENERAL RELEASE, DO NOT RESTART OR AFFECT IN ANY MANNER THE ORIGINAL UP TO TWENTY-ONE (21) CALENDAR DAY CONSIDERATION PERIOD.

EXECUTIVE FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTERS INTO THIS AGREEMENT AND GENERAL RELEASE INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS EXECUTIVE HAS OR MIGHT HAVE AGAINST RELEASEES.

Descriptive Headings

The Section headings contained herein are for reference purposes only and will not in any way affect the meaning or interpretation of this Release.

Enforceability

It is the desire and intent of the parties that the provisions of this General Release and Waiver shall be enforced to the fullest extent permissible. In the event that any one or more of the provisions of this General Release and Waiver is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remainder hereof will not in any way be affected or impaired thereby and any such provision or provisions will be enforced to the fullest extent permitted by law.

Each Party the Drafter

This General Release and Waiver, and the provisions contained in it, shall not be construed or interpreted for, or against, any party to this General Release and Waiver because that party drafted or caused that party's legal representatives to draft any of its provisions.

Governing Law

This General Release and Waiver shall be governed by, and construed and enforced in accordance with, the laws of New York, without reference to its choice of law rules. The parties hereby irrevocably consent to the jurisdiction of New York and courts located in New York for purposes of resolving any dispute under this General Release and Waiver and expressly waive any objections as to venue in any such courts.

No Other Assurances

Executive affirms and acknowledges that he has not relied on any representations, promises, or agreements of any kind made to him in connection with his decision to execute and deliver this General Release and Waiver, except for those set forth in or expressly referenced herein.

Now therefore, intending to be fully and irrevocably bound by the terms hereof, Executive has executed this General Release and Waiver and has delivered it to AXIS Capital Holdings Limited as of this ___ day of ___________, 20___.

Executed and delivered by: Accepted by:

AXIS SPECIALTY U.S. SERVICES, INC.

By: ______________________________ By:

____

Executive

THIS CONTRACT is made

BETWEEN:

(1) AXIS UK SERVICES LIMITED incorporated and registered in England and Wales with company number 05745749 whose registered office is at 52 Lime Street, London, England, EC3M 7AF (referred to as "the Company"), a wholly owned, indirect subsidiary of AXIS Capital Holdings Limited, a Bermuda company (the "Parent") and

(2) DAN DRAPER (referred to as "the Employee" or "you" or "your" as the context requires)

1. COMMENCEMENT OF EMPLOYMENT

1.1. The Company shall employ you in the position of Group Chief Underwriting Officer, or in such other position as is mutually agreeable to you and the Company.

1.2. The "Employment Term" shall commence October 1, 2022 and shall terminate December 31, 2025; provided, however, that the Employment Term shall automatically be extended for successive one year periods unless either party shall give at least six (6) month's prior notice of non-renewal or until earlier terminated by the Company or by you, as applicable, prior to the end of the Employment Term without any breach of this Agreement under the following circumstances:

1.1.1. Death. Your employment shall automatically terminate upon your death.

1.1.2. Disability. The Company shall be entitled to terminate your employment if, as a result of your incapacity due to physical or mental illness or injury, you shall have been unable to perform your duties hereunder for a period of one hundred eight-one (181) days in any twelve (12) month period (your "Disability").

1.1.3. Cause. The Company may terminate your employment at any time for Cause which, for purposes of this Agreement, shall mean an involuntary termination of your employment pursuant to Clause 15.1.

1.1.4. Without Cause. The Company may terminate your employment at any time without Cause; provided, however, that the Company provides you with notice of its intent to terminate at least six (6) months in advance of the date of termination (or pays you severance in lieu of all or a portion of such notice) as described in Clause 14.

1.1.5. Voluntary Resignation. You may voluntarily terminate your employment hereunder; provided, however, that in the event you are not terminating for Good Reason pursuant to Clause 1.2.6 below, you provide the Company with notice of your intent to terminate at least six (6) months in advance of the date of termination as described in Clause 14.

1.1.6. Good Reason. You may terminate your employment for Good Reason if (i) (A) the scope of your position, authority or duties is materially adversely changed (except for changes during a notice period as authorized under Clause 13), (B) your remuneration under this Contract is not paid or your base salary or your Target Bonus opportunity is reduced below the levels specified under this Contract, (C) you are assigned duties that are materially inconsistent with your position with the Company or (D) in the event that any other person or entity acquires all or substantially all of the Company's business, the Company fails to obtain the assumption of this Contract by the successor; (ii) you give the Company written notice of your intent to terminate your employment as a result of such event and provide the specific reasons therefore within sixty (60) days of such event occurring; (iii) the Company does not make the necessary corrections within thirty (30) days of receipt of your written notice; and (iv) you terminate employment no later than fifteen (15) days following the end of such thirty (30) day period.

1.1. You will report directly and exclusively to the Chief Executive Officer of the Parent or any individual as is mutually agreeable to you and the Company.

1.2. You warrant that by entering into this Contract or any other arrangements with the Company or a Group Company you will not be in breach of or subject to any express or implied terms of any contract with or other obligation to any third party binding on you, including without limitation, any notice period or the provisions of any restrictive covenants or confidentiality obligations arising out of any employment with any other employer or former employer.

1.3. You warrant that at the time of entering into this Contract you have the right to work in the United Kingdom and you agree to provide to the Company copies of all relevant documents in this respect at the request of the Company. If at any time during the course of this Agreement you cease to have the right to work in the United Kingdom, the Company may terminate your employment.

1.4. You may be providing services to a Company that is regulated by the Central Bank of Ireland ("CBI"), the UK's Financial Conduct Authority ("FCA") and/or the Prudential Regulation Authority ("PRA"). This means the Company, and certain employees, must comply with the applicable regulators' codes of practice, Fitness and Probity Standards and other corporate governance guidelines in place from time to time (the "Standards"). Although your current role is not subject to any Standards, in the future, should your role change or for any other reason should your employment be subject to these Standards, you accept that your employment and continued employment will be subject to compliance with these Standards. If these Standards apply to you, you undertake to notify the Company immediately of any change in your circumstances that could reasonably be expected to compromise your ability to comply with the Standards. Failure to meet these Standards may result in an investigation by the CBI, PRA, FCA, Lloyds and/or the Company, and may result in disciplinary action being taken against you up to and including the termination of your employment.

2. JOB TITLES AND DUTIES

1.1. You shall serve the Company as Group Chief Underwriting Officer or in any other capacity as you and the Company may agree. The nature of the Company's business may result in changes occurring to the content of your role from time to time. You may also be required to carry out such additional or alternative tasks as may from time to time be reasonably required of you.

1.2. The Company reserves the right to appoint any other person to act jointly or in conjunction with you.

1.3. You will be expected to devote your full business time and energy, attention, skills and ability to the performance of your duties and responsibilities to the Company and its direct and indirect affiliates (collectively, the "Parent Group") on an exclusive basis, as requested by the Chief Executive Officer of the Parent, and shall faithfully and diligently endeavour to promote the business and best interests of the Company and its subsidiaries and affiliates.

Anything herein to the contrary notwithstanding, nothing shall preclude you from (i) upon the written prior approval of the Parent's Board, serving on the board of directors of another corporation or a trade association; (ii) serving on the board of charitable organizations, (iii) engaging in charitable, community and other business affairs, and (iv) managing your personal investments and affairs; provided such activities do not, in the reasonable judgment of the Company, materially conflict with or interfere with the proper performance of your responsibilities and duties hereunder.

1.4. Except as provided in clause 2.3 above, you may not, without the prior written consent of the Company, engage, whether directly or indirectly in any business or employment which is similar to or competitive with the business of the Company or which may impair your ability to act at all times in the best interests of the Company.

3. PLACE OF WORK

1.1. Your place of work will be at the Company's London office or such other place of business as the Company may reasonably require. You may also be expected to work at other locations as reasonably directed by the Company either on a temporary or permanent basis. In addition, you may be required to travel within the UK or abroad to carry out your responsibilities.

1.2. During your period of employment, you may also be required to work for a Group Company or at another office or location for such period(s) of time as the Company may reasonably require.

4. REMUNERATION

1.1. During the Employment Term, your annual base salary will be £375,000 per annum, less any deductions required by law (the base salary as may be increased from time to time referred to as "Base Salary"). It shall be paid in equal instalments monthly in arrears on or around the 24th of each month by credit transfer directly to your bank account or in such other manner not inconsistent with the manner in which other similarly situated executives are paid.

1.2. You agree that the Company may deduct from the Base Salary or any other sum due to you (including any pay in lieu of notice) any amounts due to any Group Company.

1.3. Your Base Salary shall be reviewed annually beginning at the end of the first complete calendar year of your employment.

1.4. During the Employment Term, you will be eligible to participate in the Parent's Executive Long-Term Equity Compensation Program (the "Program") as it may be amended from time to time, or a successor program, with an annual target equity award valued at $400,000, with the number of restricted stock units granted pursuant to the Company's Long-Term Equity Compensation Plan as it may be amended from time to time, or any successor plan, unless prohibited by such successor plan ("Restricted Stock Units") subject to: (i) the rules of the Program, which may include adjustment of the target award value or an actual award which varies from the target based on the Parent's achievement of certain performance objectives, and (ii) an award agreement in such form as the Human Capital and Compensation Committee of the Parent may determine from time to time. Any such award granted under the Program shall be subject in all respects to the Parent's Executive Compensation Recoupment Policy, as it may be amended from time to time, or any successor policy thereto

5. DISCRETIONARY BONUS

1.1. During the Employment Term, you will be eligible to earn an annual cash bonus ("Annual Bonus"). Your target Annual Bonus is 100% of your then current Base Salary if the Parent achieves certain performance objectives and subject to your individual performance pursuant to the Parent's Annual Incentive Plan. Except as provided in Section 20 below, the Annual Bonus for each period will be paid only if you are actively employed with the Company on the date of disbursement. Any Annual Bonus payable hereunder shall be paid in the calendar year following the applicable fiscal year of the Parent, after it has been determined by the Human Capital and Compensation Committee of the Parent. Any such Annual Bonus shall be subject in all respects to the Parent's Executive Compensation Recoupment Policy, as it may be amended from time to time, or any successor policy thereto.

1.2. Any such bonus payment shall not form part of your contractual remuneration under this Contract. If the Company makes a bonus payment to you in respect of a particular financial year of the Company, it shall not be obliged to make subsequent bonus payments in respect of subsequent financial years of the Company.

6. PENSION SCHEME

1.1. You are eligible to participate in the Company's pension scheme subject to and in accordance with the terms of the Scheme and in all cases at the discretion of the Company. The Company's contribution will be 12.5% of your base salary. Pension contributions will begin from your commencement date of employment and you will be subject to the terms and conditions of the Pension Scheme.

1.2. The Company currently operates "Salary Sacrifice" in conjunction with the Company's pension scheme. By participating in Salary Sacrifice you would be agreeing to a reduction in your base salary in exchange for an equivalent (additional) Company contribution to the pension scheme on your behalf. If you do not wish to participate in the Salary Sacrifice arrangement and prefer contributions to be taken from net pay, please contact the UK Benefits Team.

7. OTHER BENEFITS

1.1. From the commencement of your employment you shall be entitled, subject to any eligibility requirements or policy terms, to Life Assurance, Group Income Protection and Private Medical Insurance. The Company operates a flexible benefits scheme and you are entitled to select from a range of benefits at your discretion to suit your individual needs.

The range of benefits is non-contractual and the current options available are set out in the Benefits Schedule.

1.2. The Company reserves the right to terminate any or all of the schemes referred to in clauses 6 and 7 or to amend them at any time without compensation.

1.3. All insured benefits are subject to the policy terms and conditions upon which they are incepted or renewed. Private Medical Insurance is offered to you and, if appropriate, to your spouse/same sex civil partner and/or dependent children meeting the underwriting criteria acceptable to the Company. In the event that an insurer of any insured benefit provided to you under this Contract does not meet a claim made by you or on your behalf, then you shall have no claim against the Company in respect of that insured benefit.

8. EXPENSES

1.1. The Company shall reimburse all reasonable out of pocket expenses properly incurred by you in the performance of your employment duties provided you follow the Company's guidelines/allowances in force at the relevant time and provided that you shall, where reasonably practicable, provide the Company with vouchers, invoices or such other evidence of such expenses as the Company may reasonably require.

9. HOURS OF WORK

1.1. Your normal working hours are 35 hours per week, Monday to Friday, with one hour for lunch on each working day. From time to time you may be required to work such other hours as the Company considers necessary for you to perform your duties for which no further remuneration is payable.

1.2. By entering into this Agreement you confirm, for the purposes of the Working Time Regulations 1998 ("the Regulations"), that you agree to work in excess of 48 hours per week if and when required. You may vary this additional hours consent by giving three months' notice in writing to the human resources department. Please see the Working Time Policy in the Employee Handbook.

10. HOLIDAYS

1.1. In addition to the UK public holidays you will be entitled to 25 working days' paid holiday in each calendar year. The holiday will accrue on a pro rata basis throughout each calendar year.

1.2. Holidays may only be taken at such time or times as are approved beforehand by your manager. You must give reasonable notice of proposed holiday dates.

1.3. Manager approval is required for carryover in excess of five days (up to maximum of ten days) untaken holiday into the next calendar year. You will not generally be permitted to take more than 15 consecutive working days' holiday at any one time.

1.4. Upon termination of your employment you will receive pay in lieu of accrued but untaken holiday and the Company may deduct an appropriate sum in respect of days taken in excess of your pro rata entitlement from your final remuneration. The Company may require you to take any unused holiday entitlement during a Garden Leave period.

11. SICKNESS AND OTHER ABSENCE

1.1. If you are unable to attend at work by reason of sickness or injury or any authorised reason you must inform the Company as soon as possible on the first day of absence, and in any event not later than 10:00 on the first day of absence and, in the case of absence of uncertain duration, you must keep the Company regularly informed of the reason for your continued absence and your likely date of return. You are expected to observe this rule very strictly since failure to do so entitle the Company to stop payment in respect of each day you fail to notify the Company.

1.2. If your absence, due to sickness or injury, is for less than seven (7) days, on your return to work you are required to immediately complete a self-certification form available from Payroll/HR. If your absence continues for more than seven (7) consecutive days (whether or not working days) you must provide the Company with a doctor's certificate from the seventh consecutive day of sickness or injury. This doctor's certificate must be provided to the Company promptly following the seventh consecutive day of absence. If illness continues after the expiry of the first certificate further certificates must be provided promptly to cover the whole period of absence.

1.3. Whether absent from work or not, you may be required to undergo a medical examination by a Company doctor and your consent will be sought for a report to be sent to the Company.

1.4. Provided that your sickness or injury leave is legitimate and that you comply with the sickness notification procedure set out above, you will continue to be paid normal salary for a period of up to six (6) months inclusive of statutory sick pay. However, any sums paid in excess of statutory sick pay will be at the Company's sole discretion.

1.5. If due to sickness or injury you are unable to perform your normal duties, you may be required to undertake appropriate or reasonable alternative duties. Failure to comply with any reasonable request may entitle the Company to withhold the payment of the Company's sick pay. This does not affect your right to statutory sick pay.

1.6. The payment of sick pay in accordance with this clause is without prejudice to the Company's right to terminate this Agreement on the grounds of incapacity prior to the expiry of your right to payments irrespective of any permanent health or permanent or long term disability insurance scheme in force in relation to you.

12. GARDEN LEAVE

1.1. The Company reserves the right to require that you do not attend the Company premises or have contact with other employees or clients of the Company. This includes any period or part of any period during which you are serving notice as set out in clause 12 below (referred to in this Agreement as "**Garden Leave**").

1.2. You will continue to owe all other duties and obligations (whether express or implied including fidelity and good faith) during such period of Garden Leave. During any period of Garden Leave you shall continue to receive full pay and benefits.

1.3. In the event that you are placed on Garden Leave, the Company is entitled to provide you with no duties or such duties as the Company shall in its absolute discretion determine. By placing you on Garden Leave, the Company will not be in breach of this Contract or any implied duty of any kind whatsoever nor will you have any claim against the Company or any Group Company in respect of any such action.

1.4. During any period of Garden Leave you will remain readily contactable and available for work. In the event that you are not available for work having been requested by the Company to do so, you will, notwithstanding any other provision of this Contract, forfeit any right to salary and contractual benefits.

1.5. During any period of Garden Leave, the Company may require you to deliver up any Confidential Information or property of the Company and upon instruction, delete any emails, spreadsheets or other Confidential Information and you will confirm your compliance with this clause 12.5 in writing if requested to do so by the Company.

1.6. During any period of Garden Leave, the Company may require you to take any outstanding holiday entitlement.

13. NOTICE PERIOD

1.1. Notwithstanding Clause 12 above the Company may in its absolute discretion:

(i) Require you to perform only such portion of your normal duties as it may allocate to you from time to time;

(ii) Require you not to perform any of your duties;

(iii) Require you not to have any contact with customers or clients of the Company nor any contact (other than purely social contact) with such employees of the Company as the Company shall determine;

(iv) exclude you from any premises of the Company.

1.2. If the Company elects to take such action as set out in clause 13.1 above such an election by the Company shall not constitute a breach by the Company of this Contract.

14. TERMINATION WITH NOTICE

1.1. If either party wishes to terminate your employment, it should give to the other six months' notice in writing. This does not preclude the Company from terminating your employment without notice in certain circumstances, and does not preclude you from terminating employment for Good Reason (subject to meeting the requirements for a "Good Reason" termination as described in Clause 20).

1.2. The Company reserves the right in its absolute discretion to give written notice to terminate your employment forthwith and to make a payment to you in lieu of salary for all or any un-expired part of the notice period. For the avoidance of doubt, any payment in lieu made pursuant to this clause 14.2 will not include any element in relation to:-

(i) any bonus payments that might otherwise have been due to you during the period for which the payment in lieu is made; and

(ii) any payment in respect of any holiday entitlement that would have accrued during the period for which the payment in lieu is made.

1.3. You are required to mitigate any loss where this Contract is terminated in accordance with this clause and any payment in lieu of notice may be reduced to take account of mitigation or any failure to mitigate on your part.

15. TERMINATION WITHOUT NOTICE

1.1. Your employment may be terminated immediately without notice where you:

(i) commit gross misconduct which includes, but is not limited to, dishonesty, fraud, theft, being under the influence of alcohol or drugs at work, causing actual or threatening physical harm and causing damage to company property;

(ii) breach of a fiduciary duty;

(iii) are adjudicated bankrupt;

(iv) commit a material or repeated breach of your duties or any of the provisions of this Contract or fail to observe the lawful directions of the Company as determined by the CEO;

(v) are convicted of a criminal offence (other than an offence under the road traffic legislation in the United Kingdom or elsewhere for which a non-custodial sentence is imposed);

(vi) fail to reach performance requirements set by the Company after receiving a written warning regarding your performance from the Company or you are disqualified or restricted from practising a profession which is essential to the performance of the duties of your position;

(vii) act in a manner which in the opinion of the Company, brings the Company into disrepute or otherwise prejudices or is considered likely to prejudice the reputation of the Company;

(viii) in the reasonable opinion of the Company, are guilty of any serious negligence in connection with or affecting the business or affairs of the Company; and

(ix) are deemed not to meet the Fitness and Probity Standards set by the Central Bank of Ireland, the UK's Financial Conduct Authority and/or Prudential Regulation Authority (if applicable);

provided, however, that no such termination shall be effective pursuant to this Clause 15.1 unless you have been provided with notice of the event constituting grounds for termination pursuant to this Clause and, to the extent such event is capable of being cured, you have failed to cure such event within 30 days after receiving such notice.

1.2. Any delay or forbearance by the Company in exercising any right of termination in accordance with clause 14 will not constitute a waiver of such right.

1.3. The termination by the Company of your employment will be without prejudice to any claim which the Company may have for damages arising from your breach of this Contract.

16. DISCIPLINARY, DISMISSAL AND GRIEVANCE PROCEDURES

1.1. A copy of the Company's disciplinary; dismissal and grievance policies are set out in the Employee Handbook. These policies do not form part of your contract of employment.

1.2. The Company reserves the right to suspend you on full pay and benefits at any time for a reasonable period to investigate any matter that it reasonably believes you may be or may have been involved.

17. OUTSIDE EMPLOYMENT, CONFIDENTIAL INFORMATION, CONFLICTING INTERESTS AND RETURN OF COMPANY PROPERTY

1.1. For the purposes of this Contract, the expression "Confidential Information" shall include, but not be limited to, information which relates to any and all information (whether or not recorded in documentary form or on computer disk or tape) which may be imparted in confidence or which is of a confidential nature or which you may reasonably regard as being confidential or a trade secret concerning the business, business performance or prospective business, financial information or arrangements, plans or internal affairs of the Company, any Group Company or any of their respective or prospective customers including without prejudice to the generality of the foregoing all client or customer lists, all information, records and materials relating to underwriting premiums or quotes, income and receipts, claims records and levels, renewals, policy wording and terms, reinsurance quotas, profit commission, syndicate projections and forecasts, broker lists, know how, price sensitive information, technical information, reports, interpretations, forecasts, records, corporate and business plans and accounts, business methods, financial details, projections and targets, remuneration and personnel details, planned products, planned services, marketing surveys, research reports, market share and pricing statistics, budgets, fee levels, computer passwords, the contents of any databases, tables, know how documents or materials, commissions, commission charges, pricing policies and all information about research and development, the Company's or any Group Company's suppliers', customers' and clients' names, addresses (including email), telephone, facsimile or other contact numbers and contact names, the nature of their business operations, their requirements for services supplied by the Company or any Group Company and all confidential aspects of their relationship with the Company or any Group Company.

1.2. You shall not, without the prior written consent of the Company, either solely or jointly, directly or indirectly, carry on or be engaged, concerned or interested in any other trade or business, including, but not limited to, carrying on business with the Company's suppliers or dealers, save that nothing in this clause 17.2 shall prevent you from holding (with the prior written consent of the Company which shall not be unreasonably delayed or withheld) up to three percent (3%) of the issued equity share capital of any company where those equity shares are listed on a recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) or traded on the Alternative Investment Market of the London Stock Exchange. Failure to secure advance permission in accordance with this clause may result in summary dismissal.

1.3. You will not (except with the prior written consent of the Company) other than in the proper course of your duties during the continuance of this Contract, or at any time thereafter:

(i) disclose or use for your own or for another's purpose or benefit any Confidential Information of which you may learn while in the employment of the Company except as required by a court of law or any regulatory body or that which may be in or become part of the public domain other than through any act or default on your part;

(ii) copy or reproduce in any form or by or on any media or device or allow others access to copy or reproduce any documents (including without limitation letters, facsimiles and memoranda), disks, memory devices, notebooks, tapes or other medium whether or not eye-readable and copies thereof on which Confidential Information may from time to time be recorded or referred to ("Documents"); or

(iii) remove or transmit from the Company or any Group Company's premises any Documents on which Confidential Information may from time to time be recorded.

1.4. Upon termination of your employment for any reason by either party, you must immediately return to the Company all company property including but not limited to documents, papers, records, keys, credit cards, security passes, accounts, specifications, drawings, lists, correspondence, catalogues or the like relating to the Company's business which is in your possession or under your control and you must not take copies of the same without the Company's express written authority.

18. RESTRICTIVE COVENANTS

For the purpose of this clause the following expressions shall have the following meanings:-

"Prospective Customer" shall mean any person, firm, company or other business who was at the Termination Date negotiating with the Company or with any Group Company with a view to dealing with the Company or any Group Company as a customer;

"Restricted Business" shall mean any business that you have been engaged in during the twelve month period ending with the Termination Date;

"Restricted Customers" shall mean any person, firm, company or other business who was at any time in the twelve month period ending with the Termination Date a customer of the Company or any Group Company;

"Restricted Period" shall mean (a) the period of six (6) months from the Termination Date with respect to Clauses 18.1(i)-(iii) and (b) the period of twelve (12) months from the Termination Date with respect to Clause 18.1(iv); and

"Termination Date" shall mean the date on which your employment under this Agreement terminates either due to you or the Company terminating in accordance with the terms of the Agreement or in breach of the terms of this Agreement.

1.1. During the course of your employment hereunder you are likely to obtain Confidential Information relating to the business of the Company or any Group Company and personal knowledge and influence over clients, customers, employees of the Company or any Group Company. You hereby agree with the Company that to protect the Company's and any and all Group Company's business interests, customer connections and goodwill and the stability of its or their workforce, that you will not during the Restricted Period (and in respect of sub-Clauses (v) and (vi) below only, at any time):

(i) compete with the business of the Company or any Group Company by being directly or indirectly employed or engaged in any capacity by any person, firm or company which engages in or provides Restricted Business to Restricted Customers or Prospective Customers;

(ii) compete with the business of the Company or any Group Company either on your own account or for any person, firm or company directly or indirectly by having any business dealings or transacting business in relation to Restricted Business with any Restricted Customer or Prospective Customer of the Company or Group Company and with whom you personally dealt in respect of Restricted Business;

(iii) compete with the business of the Company or any Group Company either on your own account or for any person, firm or company directly or indirectly in relation to the supply of Restricted Business by soliciting or endeavouring to solicit or entice the business or custom of any Restricted Customer or Prospective Customer and with whom you personally dealt in respect of Restricted Business;

(iv) either on your own account or for any person, firm or company, directly or indirectly solicit or entice away or endeavour to solicit or entice away or offer to employ or engage any director or employee of the Company or any Group Company with whom you have had material personal dealings in the twelve (12) months prior to the Termination Date whether or not such person would be in breach of contract as a result of such employment or engagement;

(v) from the Termination Date for the purpose of carrying on any trade or business represent or allow you to be represented or held out as having any present association with the Company or any Group Company; and

(vi) from the Termination Date carry on any trade or business whose name incorporates the word AXIS or any deviation or extension thereof which is likely or which may be confused with the name of the Company or any Group Company.

1.2. While the restrictions set out in clause 18.1 are considered by the parties to be reasonable in all the circumstances, it is agreed that if any one or more of such restrictions shall either taken by itself or themselves together be adjudged to go beyond what is reasonable in all the circumstances for the protection of the legitimate interests of the Company but would be adjudged reasonable if any particular restriction or restrictions were deleted or if any part or parts of the wording thereof were deleted, restricted or limited in a particular manner, then the restrictions set out in clause 18.1 shall apply with such deletions or restrictions or limitations as the case may be.

1.3. The restrictions contained in Clause 18.1 are held by the Company for itself and on trust for any other Group Company and shall be enforceable by the Company on their behalf or by any Group Company (at their request). You shall during the employment hereunder enter into direct agreements with any Group Company whereby you will accept restrictions in the same or substantially the same form as those contained in Clause 18.1.

1.4. In the event that the Company exercises its rights and places you on Garden Leave under Clause 12, the Restricted Period shall not be reduced by any period/s spent by you on Garden Leave prior to the Termination Date.

1.5. During the Restricted Period you shall provide a copy of the restrictions contained at Clauses 17 and 18 to any employer or prospective employer or any other party with whom you become or will become engaged or provide service or services to.

19. INTELLECTUAL PROPERTY

1.1. You agree that all inventions, improvements, products, designs, specifications, trademarks, service marks, discoveries, formulae, processes, software or computer programs, modifications of software or computer programs, data processing systems, analyses, techniques, trade secrets, creations, ideas, work product or contributions thereto, and any other intellectual property, regardless of whether patented, registered or otherwise protected or protectable, and regardless of whether containing or constituting Trade Secrets or Confidential Information as defined in this Agreement (referred to collectively as **Intellectual Property**), that were conceived, developed or made by you during the period of your employment by the Company and that relate directly to the Company's insurance and reinsurance business and any other business in which the Company was engaged as of the date of your termination of employment with the Company (the **Proprietary Interests**), shall belong to and be the property of the Company.

1.2. You further covenant and agree that you will: (i) promptly disclose such Intellectual Property to the Company; (ii) make and maintain for the Company, adequate and current written records of your innovations, inventions, discoveries and improvements; (iii) assign to the Company, without additional compensation, the entire rights to Intellectual Property for the United States and all foreign countries; (iv) execute assignments and all other papers and do all acts necessary to carry out the above, including enabling the Company to file and prosecute applications for, acquire, ascertain and enforce in all countries, letters patent, trademark registrations and/or copyrights covering or otherwise relating to Intellectual Property and to enable the Company to protect its proprietary interests therein; and (v) give testimony, at the Company's expense, in any action or proceeding to enforce rights in the Intellectual Property.

1.3. You further covenant and agree that it shall be conclusively presumed as against you that any Intellectual Property related to the Proprietary Interests described by you in a patent, service mark, trademark, or copyright application, disclosed by you in any manner to a third person, or created by you or any person with whom you have any business, financial or confidential relationship, within one (1) year after cessation of your employment with the Company, was conceived or made by you during the period of employment by the Company and that such Intellectual Property be the sole property of the Company.

1.4. Nothing in this Section 19 shall be construed as granting or implying any right to you under any patent or unpatented intellectual property right of the Company, or your right to use any invention covered thereby.

1.5. In the event that you are requested or required (by oral questions, interrogatories, requests for information or documents, subpoena or similar process) to disclose any information protected by clauses 18 and 19 (collectively, Restricted Material,) you agree to provide the Company with prompt notice of such request(s) so that the Company may seek an appropriate protective order or other appropriate remedy and/or waive your compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or that the Company grants a waiver hereunder, you may furnish that portion (and only that portion) of the Restricted Material which you are legally compelled to disclose and will exercise your reasonable best efforts to obtain reliable assurance that confidential treatment will be accorded any Restricted Material so furnished.

20. SEVERANCE BENEFITS

1.1. In the event that your employment with the Company shall terminate for any reason, and except as otherwise set forth in this Contract the Company's sole obligation hereunder shall be to pay to you any accrued but unpaid Base Salary for services rendered to the date of termination, any bonus awarded by the Human Capital and Compensation Committee in respect of a prior year's target Annual Bonus but not yet paid as of the date of termination, any accrued but unpaid expenses required to be reimbursed under this Contract, any unused vacation accrued to the date of termination. For the sake of clarity, this Section 20.1 does not limit any rights you may have under the Company's retirement or welfare plans. Additionally, the parties acknowledge and agree that any amounts described in Section 20 shall be offset in an amount equal to and to the extent the Company is required to pay additional or other severance benefits not described herein by U.K. statute, regulation or otherwise.

1.2. Death. In the event your employment is terminated due to your death pursuant to Clause 1.2.1, then in addition to the amounts provided under Clause 20.1 above:

1.6.1. Your beneficiary will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination; and

1.6.2. All outstanding and unvested Restricted Stock Units and other equity awards shall immediately vest upon said termination.

1.3. Disability. In the event that the Company terminates your employment due to your disability, pursuant to Clause 1.2.2 above, then in addition to the amounts provided under Clause 20.1 above:

1.6.1. You will be paid a pro-rata portion of your Annual Bonus that you would have been entitled to receive for the calendar year in which your termination occurs, based on the number of days you were employed by the Parent Group during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination; and

1.6.2. All outstanding and unvested Restricted Stock Units and other equity awards shall immediately vest upon the date of your termination.

1.4. Termination by the Company without Cause or by you for Good Reason. In the event that the Company terminates your employment without Cause or you terminate your employment for Good Reason, then conditioned on your compliance with this Contract during any applicable notice period, then in addition to the amounts you have received during the notice period and any other accrued salary and benefits earned through your Termination Date, but subject to your timely satisfaction of the condition precedent in Clause 20.6 below, the following will be provided to you following the Termination Date:

1.6.1. You will be paid a lump sum amount equal to six (6) months base salary at the rate in effect immediately prior to said termination, to be paid no later than sixty (60) days following your termination;

1.6.2. With respect to the discretionary annual bonus for the calendar year prior to the calendar year in which your termination occurs (to the extent not previously paid), you will be excused from the requirement in Clause 5.3(iii) that you must be actively employed with the Company on the date of disbursement in order to receive such bonus payment, and the bonus will be paid during the period set forth in Clause 20.1.1 above;

1.6.3. You will be paid an amount equal to 65% of your Target Bonus for the calendar year in which your termination occurs, calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

1.6.4. You will be paid a pro-rata portion of your Target Bonus for the calendar year in which your termination occurs, based on the number of days you were employed by the Company during such year and calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination;

1.6.5. For so long as you shall remain in full compliance with the obligations set forth in Clauses 17 through 19, and conditioned on such continued compliance, all Restricted Stock Units and other equity awards previously awarded to you which have not vested as of the date of your termination, if any, shall continue to vest on the applicable dates set forth in the applicable award agreements.

1.5. Termination by the Company without Cause or by you for Good Reason Following Change in Control. In the event that within twenty-four (24) months following a Change in Control as defined below the Company terminates your employment without Cause or you terminate your employment for Good Reason, then you shall be entitled to the same payments and benefits described in Clause 20.4 above subject to the terms thereof, except that:

1.6.1. for purposes of Clause 20.4.3, you will be paid an amount equal to 1.65 times our Target Bonus for the calendar year in which your termination occurs, calculated as if all targets were met, to be paid in a lump sum no later than sixty (60) days following your termination; and

1.6.2. for purposes of Clause 20.4.5, all outstanding and unvested Restricted Stock Units and other equity awards shall immediately vest upon said termination.

1.6. Release of Claims and Settlement Agreement. No severance benefits or payments provided pursuant to this Clause 20 will be provided to you unless you execute a settlement agreement in the Company's standard terms within 45 days of the termination of your employment.

1.7. Certain Definitions. For purposes of this Clause 20, the terms set forth below shall have the following definitions:

1.6.1. "**Cause**" means an involuntary termination of your employment pursuant to Clause 15.1.

1.6.2. "**Change of Control**" has the meaning assigned to such term under the Axis Capital Holdings Limited Amended and Restated 2017 Long-Term Equity Compensation Plan.

1.6.3. "**Good Reason**" means a termination of your employment means your termination of employment pursuant to Clause 1.2.6

21. BUSINESS CONDUCT

1.1. Upon joining the Company and every year thereafter you will be required to sign a certificate that you fully understand your responsibilities to comply with the Code of Business Conduct and that you know of no violations of the Code of Business Conduct or, if there have been violations requiring disclosure, that they have been disclosed to your line manager or the General Counsel of AXIS Capital Holdings Limited.

22. COLLECTIVE AGREEMENTS

1.1. There are no collective agreements which directly affect your terms and conditions of employment.

23. DATA PROTECTION

1.1. You confirm that you have read and understood the Data Protection Policy and Employee Privacy Notice, which are available on the Company's intranet site. The Company may change its Data Protection Policy at any time and will notify you in writing of any changes. You agree that you will comply with the Company's Data Protection Policy in processing personal data about any individual in the course of your work.

24. THIRD PARTY RIGHTS

1.1. A person who is not a party to this Contract may not under the Contracts (Rights of Third Parties) Act 1999 enforce any of the terms contained herein.

25. GROUP COMPANIES

1.1. In this Agreement "Group Company" means a subsidiary or affiliate and any other company which is for the time being a holding company of the Company or another subsidiary or affiliate of any such holding company as defined by the Companies Act 1985 (as amended) and includes the Parent and any subsidiary or affiliate of the Parent and 'Group Companies' will be interpreted accordingly.

1.2. You may be providing services to a company that is authorized and supervised by the Irish Financial Supervisory Regulatory Authority and/or the UK's Financial Conduct Authority and Prudential Regulation Authority. You should become familiar with the Company's regulatory permissions and consult the Compliance Officer should you have any questions.

26. ENTIRE AGREEMENT

1.1. These terms and conditions constitute the entire agreement between the Company and you and supersede any other agreement whether written or oral previously entered into.

27. JURISDICTION AND CHOICE OF LAW

1.1. This Contract shall be governed by and interpreted in accordance with the laws of England and Wales, without regard to the conflict of laws principles thereof, and the exclusive jurisdiction of the English Courts in relation to any claim, dispute or matter arising out of or relating to this Contract.

28. NOTICES

1.1. Any notices with respect to this Contract shall be in writing and shall be deemed given if delivered personally (upon receipt), sent by facsimile (which is confirmed) or sent by first class post addressed, in the case of the Company, to its registered office for the attention of the human resources department and in your case addressed to your address last known to the Company.

29. SEVERABILITY

1.1. In the event that any condition contained in this contract is held to be void in whole or in part for any reason, such unenforceability will not affect the enforceability of the remaining conditions contained in this letter and such void conditions will be deemed to be severable.

30. RESIGNATION FROM DIRECTORSHIPS AND OTHER OFFICES

1.1. In addition, upon your termination of employment with the Company for any reason, you agree to resign from all directorships and other offices that you hold in connection with your employment with the Company (including any directorships with subsidiaries or other affiliates of the Company) effective as of any date during the notice period.

31. POWER OF ATTORNEY

1.1. You hereby irrevocably appoint any director of the Company, as your authorised attorney, to execute all documents and do everything necessary in your name and on your behalf to:

1.6.1. Give the Company the full benefit of the provision of clause 19

1.6.2. Effect your resignation in accordance with clause 30.1.

Executed and delivered as a deed on 19.1.23 by Dan Draper:

Signature /s/ Dan Draper..

In the presence of this witness:

Witness signature /s/ Paul Hibberd..

Name of witness Paul Hibberd..

Address of witness [.....................]..

....

Executed and delivered as a deed on 1.19.23 by Axis UK Services Limited acting by Claire Butler, a director: -

Signature /s/ Claire Butler..

In the presence of this witness:

Witness signature /s/ Katherine Taylor..

Name of witness Katherine Taylor..

Address of witness [.....................]..

....

AXIS CAPITAL HOLDINGS LIMITED

EXECUTIVE LONG-TERM EQUITY COMPENSATION PROGRAM

AXIS Capital Holdings Limited (the "Company") has established the AXIS Capital Holdings Limited Executive Long-Term Equity Compensation Program (the "Program") to enable eligible employees of the Company and its subsidiaries to share in the success of the Company through the grant of equity awards. The terms of the Program are as set forth herein.

1. Eligibility. Any Executive Committee Member who is employed by the Company or one of its subsidiaries shall be entitled to annual allocation from the equity pool (as defined in Section 2) and shall be a "Participant" in the Program.

2. Target Equity Allocation. Each Participant's initial "Target Equity Allocation" shall be based on the Participant's annual equity target value as set forth in their respective employment agreement, offer letter or as set by the Human Capital and Compensation Committee of the Company. This Target Equity Allocation shall be allocated between a time-based award and a performance-based award at the Compensation Committee's discretion.

3. Time-Based Award. Time-based awards will vest 25% per year over a four-year vesting period.

4. Performance-Based Award. The performance-based portion of the Target Equity Allocation will be granted as initially determined without adjustment, but vesting will be subject to a performance condition. Specifically, performance-based awards will be eligible to vest in a range of 0%-200% of the initial Target Equity Allocation on the third anniversary of the date of grant, depending on the Company's: (i) relative total shareholder return performance as of the time of vesting, as compared to the Company's performance peers and (ii) absolute diluted book value per share growth.

5. Form of Awards. Awards may be made in the form of restricted stock or restricted stock units, at the Committee's discretion.

6. Clawback. Any equity compensation award hereunder is subject to recoupment, at the Committee's discretion, under the Company's executive compensation recoupment, or "clawback", policy.

7. Interpretation of Program. The Committee shall have the authority to administer the Program, to conclusively make all determinations under the Program and to interpret the Program, subject to and in accordance with the Company's Second Amended and Restated 2017 Long-Term Equity Compensation Plan. Any such determinations or interpretations made by the Committee shall be binding on all persons.

8. Governing Law. The Program shall be governed by the laws of Bermuda.

9. No Guarantee of Continued Employment. Nothing in the Program shall interfere with or limit in any way the right of the Company or any of its subsidiaries to terminate any employee's employment at any time, nor shall it confer upon any Participant any right to continue in the employ of the Company or any of its subsidiaries. For purposes of the Program, temporary absence from employment because of illness, vacation, approved leaves of absence and transfers of employment among the Company and its subsidiaries shall not be considered to terminate an employee's employment.

10. Successors. All obligations of the Company under the Program shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Company or otherwise.

11. Amendment and Termination. This Program may be amended or terminated at any time by the Committee.

February 2024

AXIS CAPITAL HOLDINGS LIMITED
EXECUTIVE ANNUAL INCENTIVE PLAN

AXIS Capital Holdings Limited (the "Company") has established the AXIS Capital Holdings Limited Executive Annual Incentive Plan (the "Plan") to enable eligible employees of the Company and its subsidiaries to share in the success of the Company through the grant of cash incentive bonus awards. The terms of the Plan are as set forth herein.

1. Eligibility. Any Executive Committee Member who is employed by the Company or one of its subsidiaries shall be entitled to an annual allocation from the bonus pool (as defined in Section 2) and shall be a "Participant" in the Plan from and after January 1, 2014.

2. Target Incentive Allocation. Each Participant's annual "Target Allocation" shall be based on the Participant's base salary multiplied by their annual incentive target percentage, as set forth in their respective employment agreement, offer letter or other written document. This Target Allocation will then be adjusted as described in Section 3 below.

3. Adjustment to Target Incentive Allocation. The "Adjustment to Target Incentive Allocation," represents an adjustment to the Target Incentive Allocation in order to determine the final payment and is based on (i) the Company's satisfaction of a performance target linked to the Company's annual operating return on average common equity, as established each year by the Human Capital and Compensation Committee of the Company's Board of Directors (the "Committee"), (ii) the achievement by the Participant of individualized, non-financial performance metrics as determined annually by the Chief Executive Officer or the Committee (in the case of the Chief Executive Officer), and (iii) for Business Unit leaders, the Business Unit's performance as compared to pre-established metrics. In determining the Adjustment to Target Incentive Allocation, the metrics as described above are weighted based on the Participant's role as a CEO, Business Unit leader or corporate function leader as determined by the Committee from time to time.

   Each performance metric can result in a Payout Factor adjusted based on the assigned weighting.

   The Adjustment to Target Incentive Allocation is the sum of each metric weighting multiplied by the Target Incentive Allocation to determine final incentive allocation for the fiscal year.

   Without limiting the generality of the foregoing, the Committee shall have the authority to make positive or negative adjustments with respect to one or more performance metrics or performance targets in recognition of unusual or non-recurring events affecting the Company or its Business Units, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business or related to a change in generally accepted accounting principles, or as the Committee determines to be appropriate to reflect a reasonable and fair measurement of the performance of the Company or its Business Units, as applicable.

4. Payment. Each Participant's final payment shall be paid in the calendar year following the applicable fiscal performance year of the Company, after the amount has been determined by the Committee. If a Participant's employment with the Company and its subsidiaries terminates prior to the payment date for any reason, such Participant's eligibility under the Plan shall cease and the final payment shall be forfeited as of the termination date and the Participant shall have no further rights to payments under the Plan, except to the extent of any contractual obligation to the Participant made by the Company or any of its subsidiaries.

5. Clawback. Any incentive compensation award hereunder is subject to recoupment, at the Committee's discretion, under the Company's executive compensation recoupment, or "clawback," policy.

6. Interpretation of Plan. The Committee shall have the authority to administer the Plan, to conclusively make all determinations under the Plan and to interpret the Plan. Any such determinations or interpretations made by the Committee shall be binding on all persons.

7. Governing Law. The Plan shall be governed by the laws of Bermuda.

8. No Guarantee of Continued Employment. Nothing in the Plan shall interfere with, or limit in any way, the right of the Company or any of its subsidiaries to terminate any employee's employment at any time, nor shall it confer upon any Participant any right to continue in the employ of the Company or any of its subsidiaries. For purposes of the Plan, temporary absence from employment because of illness, vacation, approved leaves of absence and transfers of employment among the Company and its subsidiaries shall not be considered to terminate an employee's employment.

9. Successors. All obligations of the Company under the Plan shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Company or otherwise.

10. Amendment and Termination. This Plan may be amended or terminated at any time by the Committee.

February 2024

AXIS AMENDED AND RESTATED EXECUTIVE RSU RETIREMENT PLAN

AXIS Specialty U.S. Services, Inc. (the "Company") has established the AXIS Executive RSU Retirement Plan (the "Plan") to reward certain long-term employees of the Company and its employer affiliates for their dedicated service. The terms of the Plan are as set forth herein.

1. Eligibility. Except as otherwise provided in the Plan, any employee of the Company or its employer affiliates (other than those employees explicitly excluded from the Plan pursuant to Section 18 hereof) who is Retirement Eligible and who has an outstanding grant(s) of restricted stock units under the AXIS Capital Holdings Limited ("AXIS") 2017 Long-Term Equity Compensation Plan and any successor equity compensation plan (the "Stock Plan") as of the employee's date of termination and who satisfies the requirements of this Plan shall be a participant in the Plan (a "Participant").

   An employee is "Retirement Eligible" if the employee is age 60 or older as of his or her date of termination; *and* has at least ten Years of Service as of his or her date of termination.

   - "Years of Service" means completed years of service with the Company or an employer affiliate of the Company.

2. Termination and Advance Notice Requirement. In order to earn and be paid the benefits provided under this Plan, a Participant: (i) must not have been provided a notice of termination from the Company for any reason, (ii) must be in good standing as of his or her date of termination (as determined by the Human Capital and Compensation Committee of the Board of AXIS (the "Committee") in its sole discretion) and (iii) must provide not less than ninety (90) days advance notice of his or her termination if he or she voluntarily terminates employment, provided, however, that management retains discretion to require a period of notice up to one year as particular employment circumstances may dictate.

3. Restrictive Covenant Agreement. In order to earn and be paid the benefits provided under this Plan, to the extent permitted by law, a Participant must execute a Restrictive Covenant Agreement in a form acceptable to the Company (a "Covenant Agreement") at the time required by the Company. The Company reserves the right to require a Participant to attest to continued compliance with the Covenant Agreement from time to time. Failure to do so will be deemed to be a breach of the Covenant Agreement.

4. Plan Benefit.

a. A Participant shall, except as provided below in Section 4(b), continue to vest in any restricted stock units granted pursuant to RSU Agreements that remain outstanding and unvested as of the date of his or her termination as though the Participant had not terminated employment with the Company (e.g., on the first, second, third and fourth anniversaries of the award date for time-based restricted stock units; on the third anniversary of the award date for performance-based restricted stock units; or as otherwise provided in the applicable RSU Agreement); provided that such vesting shall terminate if the Participant breaches any of the terms of the Covenant Agreement, in the determination of the Committee or its designee, to the extent permitted by law and all unvested restricted stock units shall terminate and be forfeited as of the date of the breach.

b. Notwithstanding Section 4(a), (1) with respect to any restricted stock units subject to time-based vesting granted in the twelve month period immediately prior to the Participant's termination (the "Last Grant"), only the restricted stock units scheduled to vest on the first anniversary of such Last Grant, if any, shall be eligible to vest and the remaining restricted stock units shall be forfeited as of the Participant's termination and (2) with respect to any restricted stock units subject to performance-based vesting granted in the Last Grant, only 25% of the restricted stock units scheduled to vest on the regularly scheduled vesting date shall be eligible to vest, subject to performance goals being achieved, and 75% of such restricted stock units shall be forfeited as of the Participant's termination.

c. In the case of any restricted stock units subject to performance vesting, where the restricted stock units vest on the regularly scheduled vesting date as though the Participant had not terminated employment, the number of restricted stock units that vest shall be determined by applying the same Performance Multiplier (as defined in the applicable RSU Agreement) that would apply had the Participant not terminated employment.

d. Notwithstanding the foregoing, the Committee shall have the sole authority to determine that no benefit shall be provided under this Plan in connection with certain outstanding restricted stock unit grants made to Participants.

5. Payment. Payment of the Shares (as defined in the Employee Restricted Stock Unit Agreement pursuant to which the outstanding restricted stock units were granted (the "RSU Agreement")) payable with respect to outstanding restricted stock units which vest pursuant to Section 4 hereof on or after a Participant's termination of employment, shall be made as follows:

a. Subject to Section 12 hereof, payment shall be made at the same time and in the same form delivery would have been made under the RSU Agreement if the Participant had remained employed through the applicable vesting date (e.g., the first, second, third and fourth anniversaries of the award date for time-based restricted stock units; the third anniversary of the award date for performance-based restricted stock units; or as otherwise provided in the applicable RSU Agreement).

b. Notwithstanding the foregoing, in the event that a Participant dies or becomes Disabled (as defined in the applicable RSU Agreement) prior to delivery of the amounts described in Section 5(a) or 6(c), payment shall be made to the Participant or his or her beneficiary in a lump sum upon the earlier of the date provided in Section 5(a) or 6(c), as applicable, or within sixty (60) days following the Participant's death or Disability, as applicable. In the case of any restricted stock units subject to performance vesting, the determination of the number of restricted stock units with respect to which payment will be made pursuant to this Section 5(b) shall be determined as described in the applicable award agreement. .

6. Special Vesting and Payment Rule for Terminations that Occur Within Twenty Four Months of a Change in Control.

a. Notwithstanding any provision of Section 4 to the contrary, if the Participant's termination occurs within twenty four months following a Change in Control (as defined in the RSU Agreement), a Participant shall vest in any outstanding and unvested restricted stock units granted pursuant to RSU Agreements as of his or her termination, reduced as required pursuant to Section 4(b).

b. Where performance-based restricted stock units vest on the date of a Participant's termination of employment within twenty four months following a Change in Control, the number of restricted stock units that vest shall be determined as described in the applicable award agreement.

c. Notwithstanding any provision of Section 5 to the contrary, if vesting occurs in connection with a termination that is within twenty four months following a Change in Control, payment shall be made at the same time and same form as delivery would have been made under the RSU Agreement had the Participant been terminated without Cause within twenty four months following a Change in Control, but in no event later than thirty (30) days following termination, subject to Section 12 hereof.

1. Termination Prior to Retirement Eligibility. If an employee's employment with the Company and its employer affiliates terminates prior to the date that the employee becomes Retirement Eligible for any reason, such employee shall have no right to participate in or receive benefits under the Plan.

2. RSU Agreement. The applicable RSU Agreement shall govern the outstanding restricted stock units to the extent the RSU Agreement is not inconsistent with the Plan.

3. Beneficiary. To the extent not inconsistent with the Stock Plan, in the event of a Participant's death, payment of the Participant's Plan benefit, if any, shall be made to a beneficiary (or beneficiaries) designated by the Participant in the form and manner prescribed by the Committee. If a Participant does not have a properly designated beneficiary, payment shall be made to the Participant's estate.

4. Clawback. Any Plan benefit hereunder is subject to recoupment, at the Committee's discretion, under the AXIS executive compensation recoupment, or "clawback," policy.

5. Administration and Interpretation of Plan. The Committee, in consultation with AXIS management, shall have the authority to administer the Plan, to conclusively make all determinations under the Plan and to interpret the Plan. Any such determinations or interpretations made by the Committee shall be binding on all persons.

6. Section 409A.

a. Although the Company does not guarantee the tax treatment of any payments under the Plan, the intent of the Company is that the payments and benefits under this Plan comply with Section 409A of the Internal Revenue Code of 1986, as amended, and all Treasury Regulations and guidance promulgated thereunder ("Code Section 409A") and to the maximum extent permitted the Plan shall be limited, construed and interpreted in accordance with such intent. In no event whatsoever shall the Committee, the Company or its affiliates or their respective officers, directors, employees or agents be liable for any additional tax, interest or penalties that may be imposed on a Participant by Code Section 409A or damages for failing to comply with Code Section 409A.

b. Notwithstanding any other provision of this Plan to the contrary, if at the time of a Participant's separation from service (as defined in Code Section 409A), the Participant is a "Specified Employee", then the Company will defer the payment or commencement of any nonqualified deferred compensation subject to Code Section 409A payable upon separation from service (without any reduction in such payments or benefits ultimately paid or provided to the Participant) until the date that is six (6) months following separation from service or, if earlier, the earliest other date as is permitted under Code Section 409A (and any amounts that otherwise would have been paid during this deferral period will be paid in a lump sum on the day after the expiration of the six (6) month period or such shorter period, if applicable). The Company shall determine in its sole discretion all matters relating to who is a "Specified Employee" and the application of such determination.

c. Notwithstanding anything in this Plan or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Plan providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Code Section 409A upon or following a termination of the Participant's employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Plan, references to a "termination," "termination of employment" or like terms shall mean "separation from service" and the date of such separation from service shall be the date of termination for purposes of any such payment or benefits.

13. Governing Law. The Plan shall be governed by the laws of New York without regard to its conflicts of law provisions.

14. Effective Date. The Plan shall continue until terminated by the Company.

15. No Guarantee of Continued Employment. Nothing in the Plan shall interfere with, or limit in any way, the right of the Company or any of its affiliates to terminate any Participant's employment at any time, nor shall it confer upon any Participant any right to continue in the employ of the Company or any of its affiliates. For purposes of the Plan, temporary absence from employment because of illness, vacation, approved leaves of absence and transfers of employment among the Company and its affiliates shall not be considered to terminate a Participant's employment unless such treatment would cause a violation of Code Section 409A.

16. Successors. All obligations of the Company under the Plan shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Company or otherwise.

17. No Claim Against Assets. Nothing in this Plan shall be construed as giving any Participant or his or her legal representative, or designated beneficiary, any claim against any specific assets of the Company or as imposing any trustee relationship upon the Company in respect of the Participant. The Company shall not be required to segregate any assets in order to provide for the satisfaction of the obligations hereunder. If and to the extent that the Participant or his or her legal representative or designated beneficiary acquires a right to receive any payment pursuant to this Plan, such right shall be no greater than the right of an unsecured general creditor of the Company.

18. Employees of AXIS Capital Holdings Limited. Unless determined otherwise by the Committee, in no event shall any employee (i) who is a United States resident or citizen whose compensation is allocated to AXIS and/or (ii) whose benefit under the Plan would be subject to Section 457A of the Internal Revenue Code, be a Participant in the Plan. Also, absent Committee approval, employees of non-wholly owned subsidiaries of AXIS will not be eligible to participate in the Plan.

19. ERISA. This Plan is intended to be a bonus program exempt from the Employee Retirement Income Security Act of 1974, as amended, pursuant to DOL Regulation Section 2510.3-2(c).

20. Amendment and Termination. This Plan may be amended or terminated at any time by the Company without the consent of any employee or Participant to the extent permitted by law.

AXIS Capital Holdings Limited

2017 Long-Term Equity Compensation Plan

Employee Restricted Stock Unit Agreement (Performance Vesting / 100% Stock Settled)

You (the "Participant") have been granted an award of Restricted Stock Units (the "Award") with a value based on ordinary shares, par value $0.0125 per share ("Shares"), of AXIS Capital Holdings Limited, a Bermuda company (the "Company"), pursuant to the AXIS Capital Holdings Limited 2017 Long-Term Equity Compensation Plan (the "Plan"). The date of grant of the Award (the "Award Date"), the vesting start date (the "Vesting Start Date") and the base number of Restricted Stock Units subject to the Award (the "Target Number") are as set forth in your restricted stock unit account maintained on the Morgan Stanley Benefit Access website or such other website as may be designated by the Compensation Committee of the Board of Directors of AXIS Capital Holdings Limited (the "Committee"). The actual number of Restricted Stock Units that you will be eligible to earn with respect to this Award (the "Award Units"), subject to meeting the applicable service and performance vesting requirements, will equal the Target Number multiplied by the applicable "Performance Multiplier" (as defined in Exhibit A hereto). This Award constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered to you) on the terms and conditions set forth herein the number of Shares corresponding to the earned Award Units.

By your acceptance of the grant of the Award on the Morgan Stanley Benefit Access website, you agree that the Award is granted under and governed by the terms and conditions of the Plan and this Restricted Stock Unit Agreement (the "Agreement").

1. GRANT OF RESTRICTED STOCK UNITS.

(a) Award. On the terms and conditions set forth in this Agreement, the Company hereby grants to the Participant on the Award Date the Award.

(b) Plan and Defined Terms. The Award is granted pursuant to the Plan, a copy of which the Participant acknowledges having received. The terms and provisions of the Plan are incorporated into this Agreement by this reference. All capitalized terms that are used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.

2. PERIOD OF RESTRICTION.

(i) The Restricted Stock Units subject to the Award shall be restricted during the period (the "Period of Restriction") commencing on the Award Date and expiring on the first to occur of:

(a) The normal scheduled vesting of the Award Units. The Award Units shall vest in a single installment on the third anniversary of the Vesting Start Date (the "Anniversary Date").

(b) The Participant's death or permanent Disability; or

(c) The date of the Participant's termination without Cause or termination for Good Reason, in each case, within 24 months following a Change of Control.

(d) Definitions. As used herein, the following terms shall have the meanings set forth below:

(1) "Cause" shall have the meaning set forth in the Participant's employment agreement with the Company, if any, or in the absence of an employment agreement definition shall mean (A) any act or omission which constitutes a material breach by the Participant of the terms of his or her employment, (B) the Participant's conviction of a felony or commission of any act which would rise to the level of a felony, (C) the Participant's conviction or commission of a lesser crime or offense that adversely impacts or potentially could impact upon the business or reputation of the Company and/or affiliates and subsidiaries in a material way, (D) the Participant's willful violation of specific lawful directives of the Company, (E) the Participant's commission of a dishonest or wrongful act involving fraud, misrepresentation, or moral turpitude causing damage or potential damage to the Company and/or its affiliates and subsidiaries, (F) the Participant's willful failure to perform a substantial part of the Participant's duties or (G) the Participant's breach of fiduciary duty.

(2) "Change of Control" shall have the meaning set forth in the Plan, provided however, that only an event that constitutes a change in control or ownership within the meaning of Treasury Regulation 1.409A-3(i)(5) shall be a Change of Control for purposes of this Agreement.

(3) "Disability" shall mean the Participant's permanent disability which constitutes a disability within the meaning of Section 409A(a)(2)(C) of the Code.

(4) "Good Reason" shall have the meaning set forth in the Participant's employment agreement with the Company, if any, or in the absence of an employment agreement definition shall mean (A) the scope of the Participant's position, authority or duties with the Company is materially adversely changed, (B) the Participant's compensation is not paid or is materially reduced or there is a material adverse change in the Participant's employee benefits or (C) the Participant is required by the Company to relocate to a place more than 50 miles from the Participant's current place of employment; provided that, in each case, "Good Reason" shall not exist unless the Participant provides the Company with written notice of the Participant's intent to terminate employment as a result of such event, providing the specific reasons therefore, and the Company does not make the necessary corrections within thirty days of receipt of the Participant's written notice, following which the Participant may terminate his or her employment for "Good Reason" within the ten days following expiration of such thirty day notice period.

(5) "RSU Retirement Plan" shall mean the AXIS Specialty U.S. Services, Inc. Executive RSU Retirement Plan, as in effect as of the date of this Agreement.

(ii) Absent subsequent Committee action, and except as otherwise provided under the RSU Retirement Plan (to the extent such plan is applicable to the Participant), the Award Units will not automatically vest upon or following the Participant's retirement.

(iii) Notwithstanding the foregoing, to the extent that the Participant is party to an employment agreement with the Company that provides for vesting of the Participant's restricted stock units on an accelerated or otherwise more favorable basis as compared to the terms set forth in this Section 2, then the Award Units shall vest pursuant to the terms set forth in such employment agreement.

3. ISSUANCE OF AWARD UNITS.

Subject to the Participant's continued employment with the Company during the Period of Restriction through the applicable vesting dates, the Company shall deliver to the Participant within thirty (30) days following the Anniversary Date (or within thirty (30) days following any vesting event described under Section 2(i)(b) or 2(i)(c) hereof, if applicable) with respect to the number of Award Units earned as determined in accordance with Exhibit A hereto, 100% of the Shares underlying such earned Award Units as of the Anniversary Date with such Share delivery fully satisfying the Company's obligations to the Participant with respect to such corresponding Award Units. In the event that the Participant's employment terminates for any reason prior to the expiration of the Period of Restriction (except as described in Section 2(i)(b), 2(i)(c) or the RSU Retirement Plan, to the extent such plan is applicable to the Participant), the Award will immediately terminate and the Company will have no further obligation or liability to the Participant. Subject to Section 4, the Participant will have no rights as a shareholder of the Company with respect to the Shares underlying the Award Units until such time as the Shares underlying the Award Units are actually delivered to the Participant. For purposes of this Agreement, references to the Participant's continued "employment" shall be deemed to refer to the Participant's continued active employment together with any permitted leaves of absence as described under Section 4(d), but shall not include any periods of inactive employment during which the Participant is on "garden leave" or otherwise receiving salary continuation payments in lieu of notice or as a form of severance pay, unless otherwise determined by the Company in connection with or prior to the Participant's commencement of any such period of inactive employment.

4. RESTRICTIONS, VOTING RIGHTS AND DIVIDEND EQUIVALENTS.

(a) Restrictions. The Award may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated at any time.

(b) Voting Rights. Prior to the delivery of Shares underlying the Award Units pursuant to this Agreement, the Participant shall not be entitled to exercise any voting rights with respect to the Award Units and, except as provided in Section 4(c), shall not be entitled to receive dividends or other distributions with respect to the Award Units.

(c) Dividend Equivalents. Dividend equivalents shall be paid to the Participant with respect to the Award Units during the Period of Restriction. Any dividend equivalents paid with respect to the Award Units during the Period of Restriction will be held by the Company, or a depository appointed by the Committee, for the Participant's account. All cash or share dividend equivalents so held shall be payable at the same time as the delivery of Shares are made with respect to the Award Units as set forth in Section 3 and shall be forfeited and shall not be paid in the event the Award is terminated as set forth in Section 3.

(d) Leaves of Absence. For any purpose under this Agreement, employment shall be deemed to continue while the Participant is on a bona fide leave of absence, if such leave was approved by the Company in writing and if continued crediting of employment for such purpose is expressly required by the terms of such leave or by applicable law (as determined by the Company).

5. RESTRICTIONS ON TRANSFER.

(a) Transfer Restrictions. Regardless of whether the offering and sale of Units under the Plan have been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or otherwise, the Company, in its sole discretion, may impose restrictions upon the sale, pledge or other transfer of the Shares deliverable in respect of the Award Units (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable in order to achieve compliance with the Company's Bye-Laws, the Securities Act, the U.S. Securities Exchange Act of 1934, as amended, the securities laws of any country or state or any other applicable law, rule or regulation.

(b) Legends. All certificates evidencing Shares issued in respect of Award Units under this Agreement shall bear such restrictive legends as are required or deemed advisable by the Company under the provisions of any applicable law, rule or regulation (including to reflect any restrictions to which you may be subject under any applicable securities laws). If, in the opinion of the Company and its counsel, any legend placed on a stock certificate representing Shares issued under this Agreement is no longer required, the holder of such certificate shall be entitled to exchange such certificate for a certificate representing the same number of Shares but without such legend.

6. MISCELLANEOUS PROVISIONS.

(a) Bye-Laws. All Shares acquired pursuant to this Agreement shall be subject to any applicable restrictions contained in the Company's Bye-Laws.

(b) No Retention Rights. Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue employment for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or any Affiliate employing or retaining the Participant or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her employment at any time and for any reason, with or without Cause.

(c) Notice. Any notice required by the terms of this Agreement shall be given in writing and shall be deemed effective upon delivery by hand, upon delivery by reputable express courier or, if the recipient is located in the United States, upon deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. Notice shall be addressed to the Company at its principal executive office and to the Participant at the address that he or she most recently provided in writing to the Company.

(d) Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of Bermuda.

(e) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) Modification or Amendment. This Agreement may be amended or modified by the Committee; provided that any amendment or modification that would adversely affect the Participant's rights with respect to the Award must be made by written agreement executed by the parties hereto; and provided, that the adjustments permitted pursuant to Sections 4(b) and 7(b) of the Plan may be made without such written agreement.

(g) Severability. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(h) Recoupment Policy. The Award is subject in all respects to the Company's Executive Compensation Recoupment Policy, as the same may be amended from time to time, or any successor policy thereto (to the extent such plan is applicable to the Participant).

Exhibit A

Performance Metrics for Determining the Number of Earned Award Units

Performance Level	Relative TSR Percentile	Performance Multiplier
Maximum	85th or above	200%
Target	55th	100%
Threshold	25th	25%
Minimum	below 25th	0

The Performance Multiplier shall be determined by linear interpolation for achievement falling between the above percentages; provided, that there shall be no interpolation for achievement that is below threshold level performance or above maximum level performance.

For purposes of this Exhibit A, the following terms shall have the following meanings:

"TSR" shall mean total stockholder return (assuming reinvestment of dividends) during the Performance Period.

"TSR Percentile" shall mean the Company's percentile rank among its Peer Group in terms of TSR during the Performance Period (rounded to the nearest hundredth of a percent), as determined by the Committee in good faith.

"Peer Group" shall mean the performance peer companies identified by the Committee in the Company's annual proxy statement filed with the U.S. Securities and Exchange Commission during the same calendar year in which the Award Date occurs; provided, however, that the Committee may equitably adjust the members of the Peer Group to account for any member company which ceases to be a publicly traded company (due to merger, corporate reorganization, bankruptcy or otherwise) or engages in a spin-off or similar transaction prior to the end of the Performance Period.

"Performance Multiplier" shall mean the applicable multiplier as determined in accordance with the table above based on the achieved TSR Percentile; provided, however, that in the event that the Period of Restriction terminates prior to the end of the Performance Period due to an event described in Sections 2(i)(b) of the Agreement, then the Performance Multiplier shall automatically be deemed to equal 100%.

"Performance Period" shall mean the period commencing on December 31 of the calendar year preceding the year in which the Award Date occurs and ending on the earlier to occur of (i) the first anniversary of such date (December 31, 2023) or (ii) the date of a Change of Control.

Notwithstanding the forgoing, in the event that the Company's TSR is negative (i.e., less than zero), the Performance Multiplier shall be deemed to equal the lesser of (i) the applicable multiplier determined in accordance with the methodologies stated above or (ii) 100% (i.e., the “target” level multiplier.

AXIS Capital Holdings Limited

2017 Long-Term Equity Compensation Plan

Employee Restricted Stock Unit Agreement (Performance Vesting / 100% Stock Settled)

You (the "Participant") have been granted an award of Restricted Stock Units (the "Award") with a value based on ordinary shares, par value $0.0125 per share ("Shares"), of AXIS Capital Holdings Limited, a Bermuda company (the "Company"), pursuant to the AXIS Capital Holdings Limited 2017 Long-Term Equity Compensation Plan, as amended (the "Plan"). The date of grant of the Award (the "Award Date"), the vesting start date (the "Vesting Start Date") and the base number of Restricted Stock Units subject to the Award (the "Target Number") are as set forth in your restricted stock unit account maintained on the Morgan Stanley Benefit Access website or such other website as may be designated by the Human Capital and Compensation Committee of the Board of Directors of the Company (the "Committee"). The actual number of Restricted Stock Units that you will be eligible to earn with respect to this Award (the "Award Units"), subject to meeting the applicable service and performance vesting requirements, will equal the Target Number multiplied by the Cumulative Performance Multiplier (as defined in Exhibit A hereto). This Award constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered to you) on the terms and conditions set forth herein the number of Shares corresponding to the earned Award Units.

By your acceptance of the grant of the Award on the Morgan Stanley Benefit Access website, you agree that the Award is granted under and governed by the terms and conditions of the Plan and this Restricted Stock Unit Agreement (the "Agreement").

1. GRANT OF RESTRICTED STOCK UNITS.

(a) Award. On the terms and conditions set forth in this Agreement, the Company hereby grants to the Participant on the Award Date the Award.

(b) Plan and Defined Terms. The Award is granted pursuant to the Plan, a copy of which the Participant acknowledges having received. The terms and provisions of the Plan are incorporated into this Agreement by this reference. All capitalized terms that are used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.

2. PERIOD OF RESTRICTION.

(i) The Restricted Stock Units subject to the Award shall be restricted during the period (the "Period of Restriction") commencing on the Award Date and expiring on the first to occur of:

(a) The normal scheduled vesting of the Award Units. The Award Units shall vest in a single installment on the third anniversary of the Vesting Start Date (the "Anniversary Date").

(b) The Participant's death or permanent Disability; or

(c) The date of the Participant's termination without Cause or termination for Good Reason, in each case, within 24 months following a Change of Control.

(d) Definitions. As used herein, the following terms shall have the meanings set forth below:

(1) "Cause" shall have the meaning set forth in the Participant's employment agreement with the Company, if any, or in the absence of an employment agreement definition shall mean (A) any act or omission which constitutes a material breach by the Participant of the terms of his or her employment, (B) the Participant's conviction of a felony or commission of any act which would rise to the level of a felony, (C) the Participant's conviction or commission of a lesser crime or offense that adversely impacts or potentially could impact upon the business or reputation of the Company and/or affiliates and subsidiaries in a material way, (D) the Participant's willful violation of specific lawful directives of the Company, (E) the Participant's commission of a dishonest or wrongful act involving fraud, misrepresentation, or moral turpitude causing damage or potential damage to the Company and/or its affiliates and subsidiaries, (F) the Participant's willful failure to perform a substantial part of the Participant's duties or (G) the Participant's breach of fiduciary duty.

(2) "Change of Control" shall have the meaning set forth in the Plan, provided however, that only an event that constitutes a change in control or ownership within the meaning of Treasury Regulation 1.409A-3(i)(5) shall be a Change of Control for purposes of this Agreement.

(3) "Disability" shall mean the Participant's permanent disability which constitutes a disability within the meaning of Section 409A(a)(2)(C) of the Code.

(4) "Good Reason" shall have the meaning set forth in the Participant's employment agreement with the Company, if any, or in the absence of an employment agreement definition shall mean (A) the scope of the Participant's position, authority or duties with the Company is materially adversely changed, (B) the Participant's compensation is not paid or is materially reduced or there is a material adverse change in the Participant's employee benefits or (C) the Participant is required by the Company to relocate to a place more than 50 miles from the Participant's current place of employment; provided that, in each case, "Good Reason" shall not exist unless the Participant provides the Company with written notice of the Participant's intent to terminate employment as a result of such event, providing the specific reasons therefore, and the Company does not make the necessary corrections within 30 days of receipt of the Participant's written notice, following which the Participant may terminate his or her employment for "Good Reason" within the ten days following expiration of such thirty day notice period.

(5) "RSU Retirement Plan" shall mean the AXIS Specialty U.S. Services, Inc. Executive RSU Retirement Plan, as in effect as of the date of this Agreement.

(ii) Absent subsequent Committee action, and except as otherwise provided under the RSU Retirement Plan (to the extent such plan is applicable to the Participant), the Award Units will not automatically vest upon or following the Participant's retirement.

(iii) Notwithstanding the foregoing, to the extent that the Participant is party to an employment agreement with the Company that provides for vesting of the Participant's restricted stock units on an accelerated or otherwise more favorable basis as compared to the terms set forth in this Section 2, then the Award Units shall vest pursuant to the terms set forth in such employment agreement.

3. ISSUANCE OF AWARD UNITS.

Subject to the Participant's continued employment with the Company during the Period of Restriction through the applicable vesting dates, the Company shall deliver to the Participant within 30 days following the Anniversary Date (or within 30 days following any vesting event described under Section 2(i)(b) or 2(i)(c) hereof, if applicable) with respect to the number of Award Units earned as determined in accordance with Exhibit A hereto, 100% of the Shares underlying such earned Award Units as of the Anniversary Date with such Share delivery fully satisfying the Company's obligations to the Participant with respect to such corresponding Award Units. In the event that the Participant's employment terminates for any reason prior to the expiration of the Period of Restriction (except as described in Section 2(i)(b), 2(i)(c) or the RSU Retirement Plan, to the extent such plan is applicable to the Participant), the Award will immediately terminate and the Company will have no further obligation or liability to the Participant. Subject to Section 4, the Participant will have no rights as a shareholder of the Company with respect to the Shares underlying the Award Units until such time as the Shares underlying the Award Units are actually delivered to the Participant. For purposes of this Agreement, references to the Participant's continued "employment" shall be deemed to refer to the Participant's continued active employment together with any permitted leaves of absence as described under Section 4(d), but shall not include any periods of inactive employment during which the Participant is on "garden leave" or otherwise receiving salary continuation payments in lieu of notice or as a form of severance pay, unless otherwise determined by the Company in connection with or prior to the Participant's commencement of any such period of inactive employment.

4. RESTRICTIONS, VOTING RIGHTS AND DIVIDEND EQUIVALENTS.

(a) Restrictions. The Award may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated at any time.

(b) Voting Rights. Prior to the delivery of Shares underlying the Award Units pursuant to this Agreement, the Participant shall not be entitled to exercise any voting rights with respect to the Award Units and, except as provided in Section 4(c), shall not be entitled to receive dividends or other distributions with respect to the Award Units.

(c) Dividend Equivalents. Dividend equivalents shall be paid to the Participant with respect to the Award Units during the Period of Restriction. Any dividend equivalents paid with respect to the Award Units during the Period of Restriction will be held by the Company, or a depository appointed by the Committee, for the Participant's account. All cash or share dividend equivalents so held shall be payable at the same time as the delivery of Shares are made with respect to the Award Units as set forth in Section 3 and shall be forfeited and shall not be paid in the event the Award is terminated as set forth in Section 3.

(d) Leaves of Absence. For any purpose under this Agreement, employment shall be deemed to continue while the Participant is on a bona fide leave of absence, if such leave was approved by the Company in writing and if continued crediting of employment for such purpose is expressly required by the terms of such leave or by applicable law (as determined by the Company).

5. RESTRICTIONS ON TRANSFER.

(a) Transfer Restrictions. Regardless of whether the offering and sale of Units under the Plan have been registered under the U.S. Securities Act of 1933, as amended (the

"Securities Act") or otherwise, the Company, in its sole discretion, may impose restrictions upon the sale, pledge or other transfer of the Shares deliverable in respect of the Award Units (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable in order to achieve compliance with the Company's Bye-Laws, the Securities Act, the U.S. Securities Exchange Act of 1934, as amended, the securities laws of any country or state or any other applicable law, rule or regulation.

(b) Legends. All certificates evidencing Shares issued in respect of Award Units under this Agreement shall bear such restrictive legends as are required or deemed advisable by the Company under the provisions of any applicable law, rule or regulation (including to reflect any restrictions to which you may be subject under any applicable securities laws). If, in the opinion of the Company and its counsel, any legend placed on a stock certificate representing Shares issued under this Agreement is no longer required, the holder of such certificate shall be entitled to exchange such certificate for a certificate representing the same number of Shares but without such legend.

6. MISCELLANEOUS PROVISIONS.

(a) Bye-Laws. All Shares acquired pursuant to this Agreement shall be subject to any applicable restrictions contained in the Company's Bye-Laws.

(b) No Retention Rights. Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue employment for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or any Affiliate employing or retaining the Participant or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her employment at any time and for any reason, with or without Cause.

(c) Notice. Any notice required by the terms of this Agreement shall be given in writing and shall be deemed effective upon delivery by hand, upon delivery by reputable express courier or, if the recipient is located in the United States, upon deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. Notice shall be addressed to the Company at its principal executive office and to the Participant at the address that he or she most recently provided in writing to the Company.

(d) Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of Bermuda.

(e) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) Modification or Amendment. This Agreement may be amended or modified by the Committee; provided that any amendment or modification that would adversely affect the Participant's rights with respect to the Award must be made by written agreement executed by the parties hereto; and provided, that the adjustments permitted pursuant to Sections 4(b) and 7(b) of the Plan may be made without such written agreement.

(g) Severability. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(h) Recoupment Policy. The Award is subject in all respects to the Company's Executive Compensation Recoupment Policy, as the same may be amended from time to time, or any successor policy thereto (to the extent such plan is applicable to the Participant).

Exhibit A

Performance Metrics for Determining the Number of Earned Award Units

Each of the TSR Performance Metric and the DVPBS Performance Metric shall be determined by linear interpolation for achievement falling between the above percentages; provided, that there shall be no interpolation for achievement that is below threshold level performance or above maximum level performance. The Relative TSR Performance Metric and the DVPBS Performance Metric are measured independently of each other.

Relative TSR Performance Metric

Performance Level	**Relative TSR Percentile**	**Relative TSR Performance Multiplier**
Maximum	85^{th} or above	200%
Target	55^{th}	100%
Threshold	25^{th}	25%
Minimum	below 25^{th}	0%

Diluted Book Value Per Share (DBVPS) Growth Performance Metric

Performance Level	**DBVPS Growth Rate**	**DBVPS Performance Multiplier**
Maximum	22.5%	200%
Target	15%	100%
Threshold	5%	50%
Minimum	Below 5%	0%

For purposes of this Exhibit A, the following terms shall have the following meanings:

"Aggregate Dividend" means the aggregate per share dividends that have an ex-dividend date during the Performance Period.

“Beginning Price” means the Share Value as of December 31 of the calendar year preceding the year in which the Award Date occurs (using the average of the closing trading price of the shares during the preceding 30 consecutive trading days (as determined by the New York Stock Exchange) ending on and including such date).

“Cumulative Performance Multiplier” shall mean the sum of (i) the product of the Relative TSR Performance Multiplier multiplied by a 50% weighting multiplier, plus (ii) the product of the DVBPS Performance Multiplier multiplied by a 50% weighting multiplier.

“DBVPS” shall mean diluted book value per share and shall be calculated as follows: (i) common shareholders’ equity, excluding Performance Period movement in accumulated other comprehensive income (AOCI) and share buybacks by the Company and adjusted for dividends and any material accounting or tax changes, *divided by* (ii) diluted common shares outstanding as determined by the treasury stock method.

“DBVPS Growth Rate” shall mean the average growth rate of the Company’s DBVPS over the Performance Period, as determined by the Committee in good faith.

“DBVPS Performance Multiplier” shall mean the applicable multiplier as determined in accordance with the table above based on the achieved DBVPS; provided, however, that in the event that the Period of Restriction terminates prior to the end of the Performance Period due to an event described in Sections 2(i)(b) of the Agreement, then the DBVPS Performance Multiplier shall automatically be deemed to equal 100%.

“Ending Price” means the Share Value as of the last day of the Performance Period.

“Peer Group” shall mean the performance peer companies identified by the Committee in the Company’s annual proxy statement filed with the U.S. Securities and Exchange Commission during the same calendar year in which the Award Date occurs; provided, however, that the Committee may equitably adjust the members of the Peer Group to account for any member company which ceases to be a publicly traded company (due to merger, corporate reorganization, bankruptcy or otherwise) or engages in a spin-off or similar transaction prior to the end of the Performance Period.

“Performance Period” shall mean the period commencing on December 31 of the calendar year preceding the year in which the Award Date occurs and ending on the earlier to occur of (i) the third anniversary of such date or (ii) the date of a Change of Control.

“Relative TSR Performance Multiplier” shall mean the applicable performance multiplier as determined in accordance with the performance metric table above based on the achieved TSR Percentile; provided, however, that in the event that the Period of Restriction terminates prior to the end of the Performance Period due to an event described in Sections 2(i)(b) of the Agreement, then the Relative TSR Performance Multiplier shall automatically be deemed to equal 100%.

“Share Value” as of any given date, means the average of the closing trading price of the Shares during the preceding 30 consecutive trading days ending on and including such date; provided, however, that if the Performance Period ends upon the consummation of a Change of Control, Share Value shall mean the price per Share paid by the acquiror in the Change of Control transaction or, to the extent that the consideration in the Change of Control transaction is paid in stock of the acquiror or its affiliate, then, unless otherwise determined by the Committee (in connection with valuing any shares that are not publicly traded), Share Value shall mean the value of the consideration paid per Share based on the average of the closing trading prices of a share of such acquiror stock on the principal exchange on which such shares are then traded for each trading day during the preceding five consecutive trading days ending on and including the date on which a Change of Control occurs.

"TSR" shall be calculated as follows (expressed as a percentage): (i) the sum of (A) the Ending Price *minus* (B) the Beginning Stock Price, *plus* (C) the Aggregate Dividend (assuming reinvestment in the Shares of all dividends comprising the Aggregate Dividend as of the ex-dividend date), *divided by* (ii) the Beginning Price.

"TSR Percentile" shall mean the Company's percentile rank among its Peer Group in terms of TSR during the Performance Period (rounded to the nearest hundredth of a percent), as determined by the Committee in good faith.

Notwithstanding the forgoing, in the event that the Company's TSR is negative (i.e., less than zero), the Relative TSR Performance Multiplier shall be deemed to equal the lesser of (i) the applicable multiplier determined in accordance with the methodologies stated above or (ii) 100% (i.e., the "target" level multiplier.

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DIRECTORS ANNUAL COMPENSATION PROGRAM

AXIS Capital Holdings Limited (the "Company") has established the Directors Annual Compensation Program (the "Program") to compensate the directors of the Company for their service to the Board of Directors (the "Board") and its committees. The Board, in consultation with the Compensation Committee of the Board (the "Committee") have determined the terms of the Program as set forth herein.

1. Eligibility. Any member of the Board who is not an employee of the Company or any of its subsidiaries shall be entitled to the compensation specified herein and shall be a "Participant" in the Program from and after January 1 of each year or, if later than January 1, the date on which such person becomes a member of the Board or is otherwise eligible to participate in the Program.

2. Compensation. Participants shall be entitled to the annual retainer amounts, as set forth on Attachment A, for: (i) board service plus, as applicable, service as Lead Independent Director and non-employee Chair of the Board ("Board Retainers"); and (ii) committee service plus additional service as committee chair, if applicable ("Committee Retainers"). The Board and Committee Retainers shall be paid in the manner as set forth in Attachment B.

3. Election of Common Shares in Lieu of Cash. Participants may elect to receive (i) 100% of their Board Retainers in AXIS common shares; and (ii) 100% of their Committee Retainers in AXIS common shares by notifying the Company of such election prior to January 1 of each year with such elections to apply to compensation earned through January of the following year.

4. Pro-Rated Payments. Members of the Board who become Participants after January 1 of any year shall receive pro-rated amount(s) based upon days of service during the calendar year. Payment of the Board and Committee Retainers will be pro-rated based on days of service during the calendar year using a 365 day daily rate.

5. Interpretation of Program. The Committee shall have the authority to administer and to interpret the Program. Any such determinations or interpretations made by the Committee shall be binding on all Participants.

6. Governing Law. The Program shall be governed by the laws of Bermuda.

7. Successors. All obligations of the Company under the Program shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Company or otherwise.

8. Amendment and Termination. This Program may be amended or terminated at any time by the Board; provided, that no amendment shall be given effect to the extent that it would have the effect of reducing a Participant's existing awards under the Program.

ATTACHMENT A

NON-EMPLOYEE DIRECTOR COMPENSATION
(Effective as of January 1, 2024)

Board Retainers	$Annual Retainer
Director	250,000
Lead Independent Director	15,000
Non-Employee (Non-Executive) Chair	150,000

Committee Retainers	$Annual Retainer
Corporate Governance and Nominating Committee	10,000
Finance Committee	10,000
Compensation Committee	10,000
Risk Committee	10,000
Audit Committee	15,000

Committee Chair Retainers	$Annual Retainer
Corporate Governance and Nominating Committee	15,000
Finance Committee	15,000
Compensation Committee	15,000
Risk Committee	20,000
Audit Committee	35,000

ATTACHMENT B
NON-EMPLOYEE DIRECTOR COMPENSATION
(Effective as of January 1, 2024)

Board Retainers(s)		
Form of Payment	**Date of Payment**	
	Equity (*AXS Common Shares)*	**Cash**
$150k to be paid in AXIS common shares	AXIS common shares to be issued annually on the tenth trading day of January[1]	N/A
$100k to be paid in accordance with director's election to receive cash/equity	AXIS common shares to be issued annually on the tenth trading day of January[1]	Cash to be paid semi-annually in arrears in two payments no later than the tenth business day of July and the following January
Additional retainers for Lead Independent Chair and Non-Employee Chair, as applicable, to be paid in accordance with director's election to receive cash/equity	AXIS common shares to be issued annually on the tenth trading day of January[1]	Cash to be paid semi-annually in arrears in two payments no later than the tenth business day of July and the following January

Committee Retainer(s)		
Form of Payment	**Date of Payment**	
	Equity (*AXS Common Shares)*	**Cash**
Committee Retainer(s) to be paid in accordance with director's election to receive cash/equity	AXIS common shares to be issued annually on the tenth trading day of January[1]	Cash to be paid semi-annually in arrears in two payments no later than the tenth business day of July and the following January

[1] Partial shares excluded.

Exhibit 21.1

AXIS CAPITAL HOLDINGS LIMITED
SUBSIDIARIES OF THE REGISTRANT

Subsidiaries	Jurisdiction of Incorporation
AXIS Specialty Holdings Bermuda Limited	Bermuda
AXIS Specialty Limited	Bermuda
AXIS Specialty Investments Limited	Bermuda
AXIS Specialty Investments II Limited	Bermuda
AXIS ILS Ltd. (formerly AXIS Ventures Limited)	Bermuda
AXIS Reinsurance Managers Limited	Bermuda
AXIS Re SE	Ireland
AXIS Specialty Europe SE	Ireland
AXIS Specialty Global Holdings Limited	Ireland
AXIS Specialty Holdings Ireland Limited	Ireland
AXIS Group Benefits LLC (formerly Ternian Insurance Group LLC)	Arizona
AXIS Specialty Insurance Company	Connecticut
AXIS Group Services, Inc.	Delaware
AXIS Specialty Finance LLC	Delaware
AXIS Specialty U.S. Holdings, Inc.	Delaware
AXIS Specialty U.S. Services, Inc.	Delaware
AXIS ILS, Inc. (formerly AXIS Specialty Underwriters, Inc.)	Delaware
AXIS Insurance Company	Illinois
AXIS Surplus Insurance Company	Illinois
AXIS Reinsurance Company	New York
AXIS Managing Agency Ltd.	United Kingdom
AXIS Specialty Finance PLC	United Kingdom
AXIS Specialty UK Holdings Limited	United Kingdom
AXIS Corporate Capital UK Limited	United Kingdom
AXIS Corporate Capital UK II Limited	United Kingdom

Novae Group Limited	United Kingdom
AXIS UK Services Limited	United Kingdom
AXIS Underwriting Limited	United Kingdom
Contessa Limited	United Kingdom
AXIS Re SE Escritório de Representação No Brasil Ltda.	Brazil
AXIS Specialty Canada Services, ULC	British Columbia

Exhibit 22.1

Subsidiary Guarantors and Issuers of Guaranteed Securities

The table below sets forth the respective issuers and guarantors of the notes issued by AXIS Capital Holdings Limited’s financing subsidiaries and the jurisdiction of incorporation of each such entity.

Guaranteed Securities	Issuer (Jurisdiction)	Guarantor (Jurisdiction)
5.150% Senior Notes due 2045	AXIS Specialty Finance PLC (United Kingdom)	AXIS Capital Holdings Limited (Bermuda)
4.000% Senior Notes due 2027	AXIS Specialty Finance PLC (United Kingdom)	AXIS Capital Holdings Limited (Bermuda)
3.900% Senior Notes due 2029	AXIS Specialty Finance LLC (Delaware)	AXIS Capital Holdings Limited (Bermuda)
4.900% Junior Subordinated Notes due 2040	AXIS Specialty Finance LLC (Delaware)	AXIS Capital Holdings Limited (Bermuda)

Exhibit 23.1

AXIS CAPITAL HOLDINGS LIMITED
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-268268 on Form S-3 and Registration Statement Nos. 333-181433, 333-159275, 333-217786, 333-256010 and 333-271790 on Form S-8 of our reports dated February 27, 2024, relating to the financial statements of AXIS Capital Holdings Limited and the effectiveness of the AXIS Capital Holdings Limited's internal control over financial reporting appearing in this Annual Report on Form 10-K of AXIS Capital Holdings Limited for the year ended December 31, 2023.

/s/ Deloitte Ltd.

Hamilton, Bermuda
February 27, 2024

Exhibit 31.1

CERTIFICATION
AXIS Capital Holdings Limited
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Vincent Tizzio, certify that:

1. I have reviewed this Annual Report on Form 10-K of AXIS Capital Holdings Limited for the year ended December 31, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Vincent Tizzio

Date: February 27, 2024

Vincent Tizzio
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION
AXIS Capital Holdings Limited
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Peter Vogt, certify that:

1. I have reviewed this Annual Report on Form 10-K of AXIS Capital Holdings Limited for the year ended December 31, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ PETER VOGT

Date: February 27, 2024

Peter Vogt
Chief Financial Officer

Exhibit 32.1

AXIS CAPITAL HOLDINGS LIMITED
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of AXIS Capital Holdings Limited (the “Company”) for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Vincent Tizzio, Chief Executive Officer of the Company, hereby certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 27, 2024

/s/ Vincent Tizzio

Vincent Tizzio
President and Chief Executive Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

Exhibit 32.2

AXIS CAPITAL HOLDINGS LIMITED
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of AXIS Capital Holdings Limited (the “Company”) for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Peter Vogt, Chief Financial Officer of the Company, hereby certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 27, 2024	/s/ PETER VOGT
	Peter Vogt
	Chief Financial Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

AXIS CAPITAL HOLDINGS LIMITED
AMENDED AND RESTATED EXECUTIVE COMPENSATION RECOUPMENT POLICY

AXIS Capital Holdings Limited (the "Company") has established the AXIS Capital Holdings Limited Amended and Restated Executive Compensation Recoupment, or "Clawback", Policy (the "Policy") to provide for the recovery of certain incentive compensation in the event of an Accounting Restatement (as defined below). This Policy is intended to comply with, and shall be interpreted to be consistent with, Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rule 10D-1 promulgated under the Exchange Act and Section 303A.14 of the New York Stock Exchange ("NYSE") Listed Company Manual (the "Listing Rules"). All capitalized terms used and not otherwise defined herein shall have the meanings set forth in Section 11 below.

1. Administration and Interpretation. The Human Capital and Compensation Committee of the Board of Directors of the Company (the "Committee") shall have full authority to interpret and enforce the Policy; provided, however, that the Policy shall be interpreted in a manner consistent with its intent to meet the requirements of the Listing Rules. As further set forth in Section 9 below, this Policy is intended to supplement any other clawback policies and procedures that the Company may have in place from time to time pursuant to other applicable law, plans, policies or agreements.

2. Covered Executives. The Policy applies to each current and former Executive Officer of the Company who serves or served as an Executive Officer at any time during a performance period in respect of which Incentive Compensation is Received, to the extent that any portion of such Incentive Compensation is (a) Received by the Executive Officer during the last three completed Fiscal Years or any applicable Transition Period preceding the Restatement Date and (b) determined to have included Erroneously Awarded Compensation. Executive Officers subject to this Policy pursuant to this Section 3 are referred to herein as "Covered Executives."

3. Recovery of Erroneously Awarded Compensation. If any Erroneously Awarded Compensation is Received by a Covered Executive, the Company shall reasonably promptly take steps to recover such Erroneously Awarded Compensation in a manner described under Section 4 of this Policy.

4. Forms of Recovery. The Committee shall determine, in its sole discretion and in a manner that effectuates the purpose of the Listing Rules, one or more methods for recovering any Erroneously Awarded Compensation hereunder in accordance with Section 3 above, which may include, without limitation: (a) requiring cash reimbursement; (b) seeking recovery or forfeiture of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards; (c) offsetting the amount to be recouped from any compensation otherwise owed by the Company to the Covered Executive; (d) cancelling outstanding vested or unvested equity awards; or (e) taking any other remedial and recovery action permitted by law, as determined by the Committee. To the extent the Covered Executive refuses to pay to the Company an amount equal to the Erroneously Awarded Compensation, the Company shall have the right to sue for repayment and/or enforce the Covered Executive's obligation to make payment through the reduction or cancellation of outstanding and future compensation. Any reduction, cancellation or forfeiture of compensation shall be done in compliance with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

5. No Indemnification. The Company shall not indemnify any Covered Executive against the loss of Erroneously Awarded Compensation for which the Committee has determined to seek recoupment pursuant to this Policy.

6. Exceptions to the Recovery Requirement. Notwithstanding anything herein to the contrary, Erroneously Awarded Compensation need not be recovered pursuant to this Policy if the

Committee determines that recovery would be impracticable as a result of any of the following:

(i) the direct expenses paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered, provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement, the Company has made a reasonable attempt to recover such Erroneously Awarded Compensation, documented such reasonable attempts to recover, and provided relevant documentation as required to the NYSE, or

(ii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company's affiliates, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code of 1986, as amended, and regulations thereunder.

1. <u>Committee Determinations Final</u>. Any determination by the Committee with respect to the Policy shall be final, conclusive and binding on all interested parties.

2. <u>Amendment</u>. The Policy may be amended by the Committee from time to time, to the extent permitted under Listing Rules.

3. <u>Non-Exclusivity</u>. Nothing in the Policy shall be viewed as limiting the right of the Company or the Committee to pursue additional remedies or recoupment under or as required by any similar policy adopted by the Company or under the Company's compensation plans, award agreements, policies, employment agreements, or similar agreements or the applicable provisions of any law, rule or regulation which may require or permit recoupment to a greater degree or with respect to additional compensation as compared to this Policy (but without duplication as to any recoupment already made with respect to Erroneously Awarded Compensation pursuant to this Policy). This Policy shall be interpreted in all respects to comply with the Listing Rules.

4. <u>Successors</u>. This Policy shall be binding and enforceable against all Covered Officers and their beneficiaries, heirs, executors, administrators or other legal representatives.

5. <u>Defined Terms</u>. For purposes of this Policy, the following capitalized terms shall have the meaning set forth below.

   a. "<u>Accounting Restatement</u>" means an accounting restatement (i) due to the material noncompliance of the Company with any financial reporting under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (a "Big R" restatement), or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a "little r" restatement).

   b. "<u>Covered Executives</u>" shall have the meaning set forth in Section 2 of this Policy.

   c. "<u>Erroneously Awarded Compensation</u>" means the amount of Incentive Compensation actually Received that exceeds the amount of Incentive Compensation that otherwise would have been Received had it been determined based on the restated amounts, and computed without regard to any taxes paid. For Incentive Compensation based on stock price or total shareholder return, where the amount of erroneously awarded Incentive Compensation is not subject to mathematical recalculation directly from the information in the Accounting Restatement:

(i) The calculation of Erroneously Awarded Compensation shall be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive Compensation was Received; and

(ii) The Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation as required to the NYSE.

a. "Executive Officer" means each individual who is currently or was previously designated as an "officer" of the Company as defined in Rule 16a-1(f) under the Exchange Act. Identification of an executive officer for purposes of this Policy would include (at a minimum) executive officers identified pursuant to Item 401(b) of Regulation S-K.

b. "Financial Reporting Measures" means the measures that are determined and presented in accordance with accounting principles used in preparing the Company's financial statements, and all other measures that are derived wholly or in part from such measures. Financial Reporting Measures include but are not limited to the following (and any measures derived from the following): Company stock price and total shareholder return (and any measures that are derived wholly or in part from stock price or total shareholder return) shall for purposes of this Policy, be considered Financial Reporting Measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented in the Company's financial statements or included in a filing with the U.S. Securities and Exchange Commission.

c. "Fiscal Year" means the Company's fiscal year; provided that a Transition Period between the last day of the Company's previous fiscal year end and the first day of its new fiscal year that comprises a period of nine to 12 months will be deemed a completed fiscal year.

d. "Incentive Compensation" shall mean any compensation (whether cash or equity-based) that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure, and may include, but shall not be limited to, performance bonuses and long-term incentive awards such as stock options, stock appreciation rights, restricted stock, restricted stock units, performance share units or other equity-based awards. For the avoidance of doubt, Incentive Compensation does not include (i) awards that are granted, earned and vested exclusively upon completion of a specified employment period, without any performance condition, and (ii) bonus awards that are discretionary or based on subjective goals or goals unrelated to Financial Reporting Measures. Notwithstanding the foregoing, compensation amounts shall not be considered "Incentive Compensation" for purposes of the Policy unless such compensation is Received (1) while the Company has a class of securities listed on a national securities exchange or a national securities association and (2) on or after October 2, 2023, the effective date of the Listing Rules.

e. "Listing Rules" shall have the mean set forth in the first paragraph of this Policy.

f. Incentive Compensation shall be deemed "Received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

g. "Restatement Date" means the earlier to occur of (i) the date the Board, a committee of the Board or the officers of the Company authorized to take such action if Board action is not required, concludes or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

h. "Transition Period" shall mean any transition period that results from a change in the Company's Fiscal Year within or immediately following the three completed Fiscal Years immediately preceding the Company's requirement to prepare an Accounting Restatement.

Adopted on: September 20, 2023