



Specialty Solutions, Elevated

2025 AXIS Capital ANNUAL REPORT



**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, 2025
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.)

29 Richmond Road, 3rd Flr, 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
Depository 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, 2025, was approximately \$8.1 billion.

At February 23, 2026, there were 73,965,939 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 14, 2026 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, 2025.

AXIS CAPITAL HOLDINGS LIMITED

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Cautionary Note Regarding Forward-Looking Statements

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.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. This Annual Report on Form 10-K or any other written or oral statements made by or on behalf of the Company may include forward-looking statements, which reflect the Company's current views with respect to future events and financial performance. All statements, other than statements of historical fact included in or incorporated by reference in this report are forward-looking statements. In some cases, these forward-looking statements can be identified by the use of forward-looking words such as "may", "should", "could", "anticipate", "estimate", "expect", "plan", "believe", "predict", "potential", "aim", "will", "target", "intend" or similar statements of a future or forward-looking nature or their negative or similar terminology.

Forward-looking statements made in this report, such as those related to our performance, pricing, growth prospects, the outcome of our strategic initiatives, our expectations relating to our ability to successfully implement and manage technology initiatives – including artificial intelligence, our expectations about the current trade and geopolitical environment on our business, economic and market conditions, and other statements that are not historical facts, reflect our current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Such statements involve risks and uncertainties that could cause actual results to differ materially, including without limitation:

Summary of 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.
- We may be adversely impacted by a wide variety of natural catastrophes or man-made disasters. 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 and other data security incidents, remain relatively new and therefore incorporate high degrees of uncertainty around their impact.
- We may be adversely affected by losses related to the war in Ukraine, tensions in the Middle East, instability in Latin America, terrorism and political unrest, the imposition of tariffs or other trade restrictions and/or unanticipated losses.
- 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
- 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 claims outstanding, as well as claims expected to arise from the unexpired period of risk, is uncertain. There are many factors that would cause ultimate loss estimates 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 may be adversely affected by our failure to keep the pace or manage technology developments, including artificial intelligence.
- 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 internal and external capital resources and our investment performance and portfolio.
- 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.
- 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 risks. 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 network 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.

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, privacy, and cybersecurity 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' of this Annual Report, all of the other information included in this report, and in subsequent filings available at www.sec.gov.

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

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 Insurance Limited ("AXIS Specialty Insurance Bermuda"), AXIS Specialty Investments Limited, AXIS Specialty Investments II Limited, AXIS Specialty UK Holdings Limited, AXIS Managing Agency Ltd., AXIS Corporate Capital UK Limited, Novae Group Limited, AXIS UK Services Limited, AXIS UK Services Limited (Irish Branch), AXIS Underwriting Limited, AXIS Corporate Capital UK II Limited (sole corporate member of AXIS Syndicate 1686 ("Syndicate 1686") effective January 1, 2025 and sole corporate member of AXIS Energy Transition Syndicate 2050 ("Syndicate 2050")), AXIS ILS, Ltd., AXIS Reinsurance Managers Limited ("AXIS Reinsurance Managers"), AXIS Specialty Holdings Ireland Limited, AXIS Specialty Europe SE ("AXIS Specialty Europe"), AXIS Specialty Europe SE (UK 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., AXIS Insurance Company ("AXIS Insurance Co."), AXIS Surplus Insurance Company ("AXIS Surplus"), AXIS Group Benefits 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 2025, we grew in a number of attractive specialty lines insurance and reinsurance markets and we continued to re-balance our portfolio towards highly targeted specialty lines. At December 31, 2025, we had common shareholders' equity of \$5.8 billion, total capital of \$7.7 billion and total assets of \$34.5 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 inclusive culture that promotes outstanding client service, intelligent risk taking, operating efficiency and the achievement of superior risk-adjusted returns for our shareholders. We believe that the achievement of our objectives will further position us as a global specialty underwriting leader, 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 operations in the U.S., Canada, and Europe including Dublin, London, Zurich and Brussels, and Singapore. We service the Latin America specialty insurance and 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 deploying capital within risk limits, diversification criteria and risk management strategy: 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 markets. 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. We invest in data and technology and are leveraging AI 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 attracts customers and distribution partners looking for solutions.

We maintain excellent financial strength, characterized by financial discipline and transparency: Our total capital of \$7.7 billion at December 31, 2025 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 foster a culture that prioritizes ethics, risk awareness and achievement, while also promoting professionalism, responsibility, integrity, discipline, inclusion and entrepreneurship. As a result, we believe that our staff is well-positioned to make the best underwriting and strategic decisions for AXIS.

Our key financial metrics for measurement of performance based compensation include 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, as well as relative total shareholder return and adjusted book value per diluted common share ("Adjusted DBVPS") over the long term. Adjusted DBVPS represents average annual growth in book value per diluted common share, generally adjusted for dividends, unrealized investment gains (losses) recognized in accumulated other comprehensive income (loss) and share repurchases. Across the Group, we are focused on realizing our ambition to be the leading specialty underwriter, while continuing to consistently deliver 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,	2025	2024	2023
Insurance	\$ 7,179,206	\$ 6,615,584	\$ 6,140,764
Reinsurance	2,465,308	2,390,304	2,215,761
Total	\$ 9,644,514	\$ 9,005,888	\$ 8,356,525

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, environmental liability risks predominantly in the U.S. wholesale markets 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, life sciences excess liability, and primary and excess of loss employers, public, and U.K. products liability business. Target industry sectors include construction, manufacturing, transportation and trucking, and other services.
- *Cyber*: provides cover for cyber liability, technology errors and omissions, media and miscellaneous professional liability. Cover is provided for a range of risks including data security breach and privacy liability, cyber-crime, liability and regulatory actions, business interruption, cyber extortion and reputational harm, and liability covers for media and miscellaneous professional matters.
- *Marine and Aviation*: Marine provides cover for a range of exposures including offshore energy, offshore renewable energy, ocean marine, 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. Surety bonds are also provided to large corporate and commercial clients, and to mid to large sized construction clients.

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:

Year ended December 31,	2025		2024		2023	
AmWINS Group Inc.	\$ 831,009	12 %	\$ 787,703	12 %	\$ 719,651	12 %
Ryan Specialty Group	784,743	11 %	690,825	10 %	606,583	10 %
Marsh & McLennan Companies Inc.	666,079	9 %	658,638	10 %	610,186	10 %
Aon plc	664,704	9 %	633,297	10 %	677,930	11 %
Other brokers	2,779,228	39 %	2,592,262	39 %	2,471,284	40 %
Other managing general agencies and underwriters ⁽¹⁾	1,453,443	20 %	1,252,859	19 %	1,055,130	17 %
Total	\$ 7,179,206	100 %	\$ 6,615,584	100 %	\$ 6,140,764	100 %

(1) Includes gross premiums written by MGAs and MGUs that are not affiliated to brokers who produced 10% or more of the total gross premiums written in any of the last three years.

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, as evidenced by the sustained positive momentum behind AXIS' new and expanded businesses.

Reinsurance Segment

Lines of Business and Distribution

Our reinsurance segment provides 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, environmental liability, and excess casualty. This business is written on a proportional and excess of loss basis.

- *Professional Lines*: provides protection for directors' and officers' liability, employment practices liability, medical malpractice, professional indemnity, 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.
- *Motor*: 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. Traditional non-proportional and proportional reinsurance as well as structured solutions are offered predominantly relating to European exposures.
- *Accident and Health*: includes personal accident, specialty health, accidental death, travel, life, disability and pet reinsurance products which are offered on a proportional and catastrophic or per life excess of loss basis.
- *Credit and Surety*: Credit reinsurance provides protection for trade credit insurance, and credit and political risk insurance. Trade credit insurance protects sellers of goods and services in the event of a non-payment by the buyer of those goods and services. Credit and political risk insurance covers a range of risks predominantly corporate and sovereign non-payment. Surety reinsurance provides protection for losses arising from a broad array of surety bonds issued by insurers to satisfy regulatory demands, contract, and commercial obligations in a variety of jurisdictions around the world. Mortgage reinsurance is provided to mortgage guaranty insurers, U.S. government-sponsored entities and other mortgage market participants. These entities seek to manage their credit risk exposure emanating from defined pools of mortgage loans.
- *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 or livestock 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:

Year ended December 31,	2025		2024		2023				
Marsh & McLennan Companies Inc.	\$	627,507	25 %	\$	561,906	24 %	\$	594,287	27 %
Aon plc		583,418	24 %		589,324	25 %		595,587	27 %
Arthur J. Gallagher & Co.		570,384	23 %		512,000	21 %		398,093	18 %
Other brokers		461,483	19 %		374,313	15 %		343,130	16 %
Direct		134,556	5 %		194,809	8 %		163,073	7 %
Managing general agencies and underwriters		87,960	4 %		157,952	7 %		121,591	5 %
Total	\$	2,465,308	100 %	\$	2,390,304	100 %	\$	2,215,761	100 %

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 our targeted specialty reinsurance lines of business. 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 ranges 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, amendments thereto and related regulations of Bermuda ("Insurance Act"). AXIS Specialty Bermuda has reinsurance permissions in China and the Netherlands.

In addition, AXIS Specialty Insurance Bermuda was incorporated on August 19, 2024 as a Bermuda exempt company, and was licensed on December 17, 2024 as a Class 4 insurer under the 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.

The BMA has been granted full "equivalence" under Solvency II for Bermuda's commercial insurance sector, including Class 4 insurers, and this recognition still applied under Solvency UK.

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.

AXIS Reinsurance Managers is registered with, and regulated by, the BMA as an insurance manager pursuant to the Insurance Act. AXIS Reinsurance Managers is also required to comply with the Insurance Manager Code of Conduct. Insurance managers in Bermuda are responsible for the regulatory compliance, financial reporting, and operational management of the insurers they act for.

AXIS Capital, AXIS Specialty Bermuda, AXIS Specialty Insurance 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.

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, as well as throughout Canada through its Canadian branch and has reinsurance permissions in Brazil and Ecuador.

AXIS Insurance Co. is licensed to transact insurance and reinsurance throughout the U.S. and has reinsurance permissions in China and Mexico.

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 facilitates the payment of surplus lines taxes, simplifies the granting of alien insurers to become surplus lines authorized and coordinates the credit for certain reinsurance.

AXIS Group Benefits LLC, a 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.

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 EU 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 EU 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 EU law. 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 EU 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 EU and the European Economic Area ("EEA"), which includes each of the Member States of the EU 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 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 a U.K. branch that transacts general insurance business in the U.K. and trades as AXIS Specialty London. The UK Branch of AXIS Specialty Europe is fully regulated by both the PRA and the Financial Conduct Authority ("FCA").

AXIS Specialty Europe 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 EU 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 EU regulation applicable to reinsurance and statutory instruments made thereunder. AXIS Re SE is authorized to transact reinsurance throughout the EU 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, and Peru.

Other AXIS Entities

AXIS Specialty Bermuda may write reinsurance under Solvency II equivalence granted to Bermuda by the EU. 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.

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 of London ("Lloyd's") managing agent authorized by Lloyd's to manage our syndicates, Syndicate 1686 and AXIS Energy Transition Syndicate 2050 ("Syndicate 2050"). Syndicate 2050 commenced underwriting business on April 1, 2024.

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 Principles for doing business and is responsible for setting both member and central capital levels.

AXIS Corporate Capital UK Limited

AXIS Corporate Capital UK Limited was a corporate member of Syndicate 1686, previously providing 70% capital support. It ceased providing capital support to Syndicate 1686 on December 31, 2024.

AXIS Corporate Capital UK II Limited

AXIS Corporate Capital UK II Limited is a corporate member of Syndicate 1686, providing 100% capital support to Syndicate 1686 with effect from January 1, 2025. It previously provided 30% capital support.

AXIS Corporate Capital UK II Limited is also a corporate member of Syndicate 2050, providing 100% capital support.

AXIS Underwriting Limited

AXIS 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.

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.

AXIS Re SE currently transacts reinsurance business in the EEA pursuant to European law.

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 historically conducted 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 Limited (Singapore Branch) has separate reinsurance permissions in China. 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.

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 certain exceptions. AXIS Managing Agency Ltd., through Lloyd's, is authorized to write reinsurance in and from Canada subject to certain restrictions.

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 National Bank of Belgium.

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 teammates distinguish us from our competitors and are critical to our success as a specialty underwriter that leads with purpose and lives our values every day. Our workforce's strength is grounded in our values: Excellence, Stronger Together, Decisiveness and People. These values represent behaviors that we hold ourselves and others accountable for every day. We recognize that our strength lies in our people, and therefore, one of our core strategies is to invest in and support our teammates, including in the following areas of focus:

Talent Development

At AXIS, investing in our people is a top priority. We offer a comprehensive suite of professional development tools, resources, and training to support career growth across our global organization. Our online learning and development hub reflects our investment in upskilling and is complemented by financial assistance for external professional development, as well as tuition reimbursement for eligible part-time, business-related degree and certificate programs. To strengthen our pipeline of future leaders, we have expanded manager resources and introduced new leadership development programs tailored to various stages in the career journey.

Health, Safety and Wellness

We are committed to the health, safety and wellness of our workforce and offer our teammates a variety of tools to support their physical, emotional and financial wellbeing. 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 teammates. We strive to be an employer of choice and we believe this approach helps us recruit and retain talent. Additionally, we are promoting sustainable performance through 1:1 wellness coaching and programming targeted at the senior leadership team.

Mental Health and Wellbeing

Supporting the mental health and wellbeing of our teammates has long been a priority for AXIS. In 2025, we hosted a variety of internal learning events, offered activities for our teammates focused on Mental Health Awareness month and World Mental Health Day, introduced a dedicated Wellbeing Day as part of paid time-off, and promoted broader internal and external advocacy initiatives to promote mental health and wellbeing.

Inclusion

AXIS is committed to fostering an inclusive workplace that values diverse perspectives. In 2025, we advanced our inclusion strategy through initiatives that strengthen engagement across our global workforce. We expanded education programs to enhance cultural competency and inclusive leadership. We also partnered with industry organizations to promote inclusion within AXIS and the communities where we operate. These actions underscore our commitment to a workplace where all employees can contribute at their highest potential.

Teammate Engagement

AXIS recognizes that engagement is critical to creating a fulfilling workplace and enabling employees to perform at their best. In 2025, we advanced engagement through initiatives focused on listening, connection, and recognition. We launched our annual People Engagement Survey, supplemented by pulse surveys throughout the year, to capture real-time feedback and inform action. To further strengthen our culture, we also refreshed our values and behaviors with direct employee input to ensure they reflect our identity and support evolving business priorities.

Compensation and Benefits

To attract and retain our industry's top talent, we offer teammates 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 following year-end performance reviews. Our packages are also regularly benchmarked against similarly-sized specialty insurance, reinsurance and financial services companies in our talent markets. Compensation components include market competitive salaries and short-term annual incentive programs and, for senior level teammates, long-term incentives such as equity grants. To provide share ownership throughout all levels of our organization, we recently awarded an equity grant for all AXIS teammates who do not receive equity as part of their annual compensation. This ownership award reinforces our "Stronger Together" value and the ownership mentality that defines our culture. Our comprehensive benefits packages include health and welfare plans for teammates and their families, retirement savings plans with employer contributions and work-life benefits, including parental leave policies, flexible work arrangements for eligible teammates 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.

Succession Planning

We have a robust talent and succession planning process. Each year, management conducts talent reviews for all AXIS teammates, focusing on high performing and high potential talent, emerging talent, and diverse talent. This information is used to drive both teammate development plans and succession planning. Annually, succession plans are completed for each member of the Executive Committee and the other critical roles across AXIS. The Board exercises oversight of succession planning by reviewing a comprehensive annual succession plan for key Executive Committee roles, including the CEO.

Employees

At December 31, 2025, we had 1,966 employees. During 2025, the number of employees increased by approximately 5% and our voluntary turnover rate was 9.6% compared to 11.9% in 2024.

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 annual 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

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 ("Finance Committee") oversees the Group's investment of funds and adequacy of financing facilities. This includes approval of the Group's strategic asset allocation plan. In addition, the Finance Committee is responsible for monitoring and recommending to the Board on the Group's capital management activities, encompassing dividend policy, share repurchase authorizations and the optimal deployment of capital to support shareholder value creation.

The Audit Committee of the Board of Directors ("Audit Committee"), 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 Executives

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 has overall responsibility for risk management, it has delegated some authority to the executive level Risk Management Committee ("RMC") consisting of the President and Chief Executive Officer, Chief Financial Officer, Group 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 sub-committees, focusing on particular aspects of ERM including the following:

Management Committees and Councils

- The Underwriting & Governance 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 ranges and presents it to the Finance Committee for approval.
- The Capital Management Committee oversees the integrity and effectiveness of 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 reserves for losses and loss expenses ("loss reserves").
- Enterprise Portfolio and Project Management Group ("EPPG") is responsible for governing project investments across the Group. It ensures that our investments align with our business strategies and that projects can be executed effectively and efficiently.
- The Artificial Intelligence (AI) Governance Council ensures appropriate regular oversight of AI-related products and activities, such as approval of policies surrounding AI usage, and is a key decision taking party. The AI Council is supported by the AI Working Group, which acts as a filter and has the power to decide on the low risk/more obvious cases.

RMC Sub-Committees and Working Groups

- The Exposure Management Committee oversees the Group's exposure management framework for catastrophe and non-catastrophe business, 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 and opportunities.
- The AI Underwriting Working Group discusses and monitors any AI related activities potentially impacting Underwriting, such as regulatory updates, market initiatives and new claim developments.
- The Environmental Working Group focuses specifically on climate-related risks and opportunities and oversees climate risk initiatives.

Group Risk Management

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. The Group Risk function 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 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.

The Risk Register is a detailed repository of the key drivers of risk that the Company is exposed to, along with the Key Controls and Key Risk Indicators ("KRIs") that are in place to maintain the level of risk within the defined risk appetite. There is a quarterly certification process, whereby control owners confirm the performance of the controls and identify any issues to be followed up. In addition, we undertake ongoing risk assessments of all enterprise risks, the output of which is captured in our Risk Register that is reviewed and reported through our governance structure.

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 that 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, 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 and are established on a tiering basis which is differentiated by the type of loss. Loss scenario and subject exposure have been specified with increasing level of granularity for lower tiers. Tiered appetites have been set for each line of business, with considerations of exposure from each line on the basis of (1) Aggregate (2) Occurrence and (3) Risk and Clash losses. The risk management team monitors both management and board limits to ensure effective management and oversight.

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, claim associated expenses, acquisition costs, operating costs, and an adequate level of profit margin commensurate to the risk being assumed. Premium amounts are typically agreed upfront, but may not cover the actual future costs due to unexpected factors such as social, economic and legal environments, as well as uncertainty surrounding frequency and severity of claims.

We mitigate premium risk in our portfolio through four main levers by:

- Taking a vigilant and cautious approach on claims cost trends, and we review these assumptions frequently.
- Including loss and/or exposure adjustment features that flex premium and/or acquisition costs in response to higher-than-expected exposures and/or claim costs in some of our contracts.
- Employing 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.
- Enhancing 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 reduce volatility and 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, where we protect against higher loss frequency rather than specific events.

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 annual per loss occurrence 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 team 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 our underwriting. Risk Funding and AXIS ILS teams are overseen by our Reinsurance Purchasing Group ("RPG"). The RPG, which includes, among others, our President and Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Group Chief Underwriting Officer and representatives from the business leadership, 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 Catastrophes

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 which 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. For example, at the 1-in-100-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, 2026 and 2025:

Estimated Net Exposures (millions of U.S. dollars)		January 1, 2026		January 1, 2025	
Territory	Peril	100 Year Return Period	250 Year Return Period	100 Year Return Period	250 Year Return Period
<i>Single zone, single event</i>					
Southeast	U.S. Hurricane	\$ 225	\$ 365	\$ 160	\$ 228
Mid-Atlantic	U.S. Hurricane	124	158	105	127
Gulf of Mexico	U.S. Hurricane	178	204	139	158
California	U.S. Earthquake	190	227	162	194

The return period refers to the frequency with which losses of a given amount or greater are expected to occur. A zone is a geographic area in which the insurance risks are considered to be correlated to a single catastrophic event. Estimated losses from a modeled event are grouped into a single zone, as shown above, based on where the majority of the total estimated industry loss is expected to occur. In managing zonal concentrations, we aim to ensure that the geography of single events is suitably captured, but distinct enough that they track specific types of events. For example, our definition of Southeast wind encompasses five states, including Florida, while our definition of Gulf of Mexico windstorm encompasses four states, including Texas.

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

As indicated in the table above, our modeled single occurrence 1-in-100-year return period PML for a Southeast U.S. hurricane, net of reinsurance, is approximately \$225 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 \$225 million. Conversely, there is a 99% chance that on an annual basis the loss from a Southeast U.S. hurricane will fall below \$225 million.

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

We have developed our PML estimates by combining judgment and experience with the outputs from a commercially available catastrophe model, that we also use for pricing catastrophe risk. This model covers the major peril regions where we face potential exposure. Additionally, we have included our estimate of non-modeled perils and other factors, that we believe 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 Exposure Management Center of Excellence. These validation procedures include sensitivity testing of models to understand their key variables and, where possible, back testing the model outputs to actual results.

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

Man-Made Catastrophes

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 supplement commercially available vendor models 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 loss reserves is subject to uncertainty as the settlement of claims is dependent on future events and developments.

We have well established processes in place for determining loss reserves and we calculate loss reserves in accordance with actuarial best practice based on substantiated methodologies and assumptions. Our loss reserving process demands data quality and reliability and requires a quantitative and qualitative review of overall loss 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.

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 risk 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 several measures 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 foreign 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' frontier, 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 foreign currencies. Where necessary, we use derivative financial instruments for economic hedging purposes. For example, in certain circumstances, we use foreign exchange forward contracts to economically hedge portions of our unmatched 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 (refer to 'Market Risk' above for a discussion of credit risk as it relates to the investment portfolio), counterparty exposure in a direct contractual relationship, such as reinsurance or loss portfolio transfers, the credit risk related to our premium balances receivable, 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 Recoverables

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 Balances Receivable

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 also provide loan portfolio coverage of Significant Risk Transfer securitizations and other structured portfolio solutions. 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.

In addition, we provide surety bonds to large corporate and commercial clients, and to mid to large sized construction clients.

We provide reinsurance of credit, political risk 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 reinsurance exposures are concentrated within developed economies, our political risk exposures are concentrated in developing economies and our surety bond exposures are diversified mostly between developed economies and Latin America. Surety reinsurance provides protection for losses arising from a broad array of surety bonds issued by insurers to satisfy regulatory demands, contract and commercial obligations in a variety of jurisdictions around the world. We provide coverage to the mortgage industry through insurance and reinsurance of mortgage insurance companies, U.S. government-sponsored entity credit risk sharing transactions, and other mortgage market participants. 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. These entities seek to manage their credit risk exposure emanating from defined pools of mortgage loans. 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 and network 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 monitoring operational risk management. As part of this oversight, we facilitate the identification, assessment and management of key operational risks through several processes, risk assessments, operational risk events and various stress testing exercises.

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

We also maintain an operational risk event database (containing both actual events as well as near misses) to help 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 events.

We supplement this with thematic 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 have specific processes and systems in place to focus on high priority operational matters 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 on 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.
- We have enhanced our operational resilience to business interruption events, to anticipate, prepare for, respond to, and recover from disruptions while maintaining essential functions and services. This is achieved by identifying the important business services to the company and defining impact tolerances. A regular testing cycle is in place for continuous improvement and identifying potential vulnerabilities.
- 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 due diligence of potential large vendors and maintaining a dedicated vendor management office that oversees an established framework of approved policies, procedures, and performance-monitoring practices throughout the lifecycle of engagements.

Capital Management

Our capital management goal 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 Capital Management Policy. We hold an adequate level of capital for business and investment opportunities as well as risk and shock events. We ensure our capital levels satisfy our minimum solvency targets 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.

Our capital management strategy 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).

We also consider 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 followed by an increased supply of insurance and reinsurance capacity, via capital from new entrants, innovative 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, and conditions leading to changes in the frequency and severity of losses, increased expenses for customer acquisition and retention, and less demand for our underwriting services. All of these factors could in turn 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, which might not have been factored in for the original pricing due to uncertain return periods of these losses.

We have exposure to unexpected losses resulting from natural catastrophes, man-made disasters and other significant catastrophe events predominantly in our insurance business. Catastrophes can be caused by various events, including hurricanes, typhoons, earthquakes, tsunamis, hailstorms, floods, severe winter weather, fires, drought and other natural disasters, as well as outbreaks of pandemic or contagious diseases. Catastrophes can also be man-made, such as war, terrorist attacks and other intentionally destructive acts, including those involving nuclear, biological, chemical or radiological events, cyberattacks and other data security incidents, 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. Secondary perils, for example severe convective storms, may also become increasingly impactful. Similarly, changes in global political and economic conditions may increase both the frequency and severity of man-made catastrophe events. The impact of catastrophe events in years 2025, 2024 and 2023 included the recognition of the net losses and loss expenses of:

- \$159 million, in the aggregate, primarily related to California Wildfires, Hurricane Melissa and the Middle East Conflict in 2025;
- \$226 million, in the aggregate, primarily related to Hurricanes Milton, Helene, and Beryl, and the Red Sea Conflict in 2024; and
- \$138 million, in the aggregate, primarily related to Cyclone Gabrielle and other weather-related events in 2023.

Although we manage our exposure to such events through the use of underwriting controls, including modelled analysis, 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 and other data security incidents 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 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 losses, both through underwriting and investments, resulting from acts of terrorism, political unrest and geopolitical instability. Rising United States-China decoupling, trade restrictions, and tariff unpredictability create uncertainty. The shift from tariffs to choke-points (e.g., supply chain bottlenecks) is reshaping global trade. Many European countries face ongoing fiscal challenges, raising concerns about debt sustainability, and political instability. Other disputes including the war in Ukraine and tensions in the Middle East are expected to continue into 2026. In Latin America, political instability in certain countries, including Venezuela, may further amplify regional uncertainty and affect the global credit and political risk environment. Uncertainty over tariffs could lead to increasing cost of claims, such as rebuild costs in property damage or the value of cargo in marine.

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 or by one or more European sovereign debt issuers, could have a material adverse effect on our results of operations, investment portfolio, 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, credit, 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. 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, as our insureds cannot sustain paying higher premiums.

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, networks 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 the EU, and no later than 2040 globally. If we are unable to achieve our objectives relating to climate change or our current response to climate change is perceived to be ineffective or insufficient, or the way we respond is perceived negatively, our business and reputation may suffer. In addition, 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. The introduction of the Corporate Sustainability Reporting Directive ("CSRD") together with the EU Taxonomy Regulation, albeit postponed, are the central components of the sustainability reporting requirements underpinning the EU's sustainable finance strategy. This directive, along with other current or proposed regulations, could significantly increase compliance burdens and associated regulatory costs and complexity.

While the Securities and Exchange Commission (SEC) Climate Regulations (issued March 6, 2024) have been paused and the SEC voted on March 27, 2025 to end its defense of climate disclosure rules, there is potential for additional disclosure requirements should these or similar regulations be implemented. There is also a risk that regulators in certain states may develop their own enhanced reporting requirements. 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/or 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 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 and may result in reserve increases over time.

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

While we believe that loss reserves at December 31, 2025 are adequate, new information, events or circumstances, 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, 2025, as well as claims expected to arise from the unexpired period of risk, is uncertain. There are many factors that would cause ultimate loss estimates 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, 2025, 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 and review our compliance with management's and the Board of Directors' risk limits on a quarterly basis. 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 both proportional and non-proportional reinsurance for many of our lines of business. On an account by account basis, we may also put in place facultative reinsurance to limit specific exposures. 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. These reinsurance loss limitation techniques are applicable on a retrocessional basis, where we also seek to limit losses coming through our reinsurance segment. 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 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). Further, to the extent we incorporate automation and machine learning as part of our modeling process, this may lead to heightened risk as the outputs may be unintentionally deficient, inaccurate or misleading. 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 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 and audit our programs/coverholders on an ongoing basis, our 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 is also a continued large amount of merger and acquisition activity in the insurance/reinsurance sector, and 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 leading to more claims 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.

Our business depends on keeping pace with technological developments.

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. In particular, implementation of artificial intelligence to enhance efficiency is perceived as a top factor for insurance companies to maintain or increase their market position in the long-term. 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. However, the extensive use of technology and artificial intelligence can also bring risks such as operational failures due to these technologies not operating as expected, as well as reputational and compliance issues if we do not embed controls and comply with regulations to manage new innovations. Innovation and technological change could also result in increasing expenses as we make investments to innovate our products and services. Third-party or partner use of AI models could also heighten our vulnerability to data breaches, regulatory issues, and operational disruptions.

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

The global economic environment could be impacted by inflationary pressures; fiscal or monetary policies; uncertainty concerning the future path of interest rates; the effect of social, economic, and political conditions and geopolitical events; the implementation of tariffs and other protectionist trade policies; and the possibility of a recession, government shutdowns, debt ceilings, and funding. 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. While during 2024 and 2025 the U.S. Federal Reserve slowly lowered interest rates, 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. 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. A higher inflation environment could lead to even higher interest rates, which would 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 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.

Regulators' concerns relating to corporate substance may have an adverse impact on us.

AXIS operates in multiple jurisdictions, and utilizes a shared services model in order to optimize its resources. This leads to members of staff providing services to AXIS entities in various jurisdictions on a cross-border basis. Many jurisdictions have in place minimum corporate substance requirements, such as Bermuda's Economic Substance Act 2018 and its accompanying regulations. AXIS monitors its corporate substance in Bermuda closely to ensure it continues to meet these requirements. Similar requirements are in place in other jurisdictions, such as in Europe, where in February 2023, European Insurance and Occupational Pensions Authority ("EIOPA") issued a Supervisory Statement addressing the use of governance arrangements in third countries (e.g. the U.K. post-Brexit) by EU insurers.

Lloyd's accesses the EU 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 Lloyd's is a key platform for AXIS, a change to the status quo by the National Bank of Belgium could impact Lloyd's Insurance Company S.A., and consequently AXIS Managing Agency. This would potentially limit AXIS' ability to access the EEA market through the Lloyd's platform. We continue to monitor this situation closely.

In addition, failure to comply with the economic substance rules in Bermuda can result in fines, penalties and, in severe cases, deregistration, with similar penalties possible in Ireland.

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. Marsh & McLennan Companies, Inc., Aon plc., and Arthur J. Gallagher & Co. provided 37% of gross premiums written in 2025. Our relationships with our 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, our 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 us. 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 reinsurers 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 ability to execute our strategy depends on attracting, developing, and retaining highly qualified talent. Loss of key executives or specialists, or failure to recruit successors, could impair our risk selection, pricing discipline, and operational continuity. We face intense competition for talent from insurers, financial services firms, and technology companies. Competitors may offer higher compensation, more flexible work arrangements, or enhanced career opportunities. Evolving employee expectations for remote work and enhanced benefits may limit our access to talent if we cannot offer competitive arrangements. Immigration and work permit restrictions in Bermuda and other jurisdictions may delay or prevent us from employing expatriate executives and specialists. Regulatory changes in compensation governance, taxation, or pay transparency laws may increase costs or limit flexibility in structuring packages. Our specialty lines require continuous upskilling in cyber risk, pricing analytics, and catastrophe modeling. Failure to recruit or retain talent with these skills could materially affect our competitiveness and risk management. There is no guarantee that we will always be able to successfully identify, hire, develop, or retain the talent in all of our disciplines. Any of these risks could materially and adversely affect our business, financial condition, and results of operations.

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. While all executives who periodically work in our Bermuda office and who require work permits have obtained them, there is no guarantee that we will be able to obtain them in the future.

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 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 when evaluating their investments and business relationships. The heightened and sometimes conflicting stakeholder focus on ESG issues requires the continuous monitoring of evolving laws, regulations, standards and expectations, as well as 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 and impose additional compliance costs. Pressure from key stakeholders to comply with voluntary ESG initiatives or frameworks could also require substantial investments, which could negatively impact our operating results. ESG encompasses a wide range of issues, including climate change, environmental risks, inclusion and governance standards. We cannot predict whether our business decisions, strategy and disclosures relating to ESG issues will meet the expectations or requirements of relevant stakeholders, including key institutional shareholders. If we publicly disclose goals or initiatives regarding ESG matters, we could fail, or we could be perceived to fail, in our achievement of such goals or initiatives, or we could be criticized for their scope. This could result in adverse publicity, reputational harm, or loss of customer and/or investor confidence, which could adversely affect our business, financial condition, and results of operations.

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. 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 78% of total cash and investments at December 31, 2025, 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. 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 are 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 in the future 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 or execute portfolio transactions, we may be unable to collect amounts due to us.

A reinsurer's insolvency, or 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. 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. Certain reinsurance obligations are collateralized, typically when the counterparty is unrated or in the event of rating downgrade. In most cases the Company relies on its governance of approved counterparties based on financial ratings and required surplus of approved counterparties.

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 and network 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. The 'How We Work' program is driving and overseeing the changes being made across the organization to build momentum and establish AXIS as an efficient and sustainable organization. We may not be successful in implementing these changes and, if implemented, they could result in heightened operational risk as the business adapts to new ways of working.

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 and networks 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. Our robust business continuity plan, which addresses the risk of such business interruption, system or network failure or service denial, with input from both internal and external stakeholders, may be inadequate and our systems and networks may still be impacted. Unauthorized access to our systems and networks, computer viruses, deceptive communications (such as phishing attacks), malware, hackers and other cybersecurity threats and external hazards, including catastrophe events, could expose us to data loss, damages, interruptions or delays in our business, remediation costs, claims, and damage to our reputation. Our operations also depend on complex, cloud-based information

systems, and as cyber threats grow more sophisticated and our reliance on cloud providers increases, security incidents or outages could adversely impact our ability to operate and protect sensitive data. 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 cyberattacks and other data security threats and must continuously monitor and develop our information technology systems, networks and infrastructure to prevent, detect, address and mitigate the risk of threats to our data, systems, and networks. These cyberattacks and other data security incidents have included, or may in the future include: viruses, malware or other malicious code, ransomware, software bugs, deceptive social engineering campaigns (also known as "phishing" or "spoofing"), credential stuffing, account takeovers, loss or theft of assets, employee errors or malfeasance, third-party errors or malfeasance, as well as system and network failures and other similar security events, which could result in the loss of, unauthorized access to or disclosure of, or the misuse or misappropriation of, confidential, personal, proprietary or other information.

Over time, and particularly recently, the sophistication and frequency of these threats continues to increase, including through the use of artificial intelligence, and may be difficult to detect for long periods of time. For example, cyberattacks may be conducted by organized groups and individuals with a wide range of motives and expertise, including organized criminal groups, "hacktivists", terrorists, nation states, nation-state supported actors and others. While administrative and technical controls, along with other preventive actions, may reduce the risk of cyberattacks and other data security incidents and protect our information technology, they may be insufficient to thwart cyberattacks and/or prevent other data security breaches to our systems or networks. Moreover, we may be unable to anticipate these threats or react in a timely manner. As these threats continually evolve, we may be required to devote substantial additional resources to modify or enhance our information security systems and networks and our cybersecurity program.

While we generally perform cybersecurity diligence on our key service providers, we do not control our service providers and our ability to monitor their cybersecurity is limited. Some of our service providers may store or have access to our data and may not have effective controls, processes, or practices to protect our information from loss, unauthorized disclosure, unauthorized use or misappropriation. A vulnerability in our service providers' software or systems, a failure of our service providers' safeguards, policies or procedures, could result in a cyberattack or other data security incident which could harm our business.

While we have not experienced a material cybersecurity incident, to the extent any such incident results in a loss or damage to our data, or inappropriate disclosure of our confidential, personal, proprietary or other 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, fines, damages, injunctions, or penalties and ultimately have a material adverse effect on our business or operations.

We also operate in a number of jurisdictions with strict data protection privacy, cybersecurity and other related laws, which could be violated in the event of a cybersecurity incident, or by personnel. Failure to comply with these obligations, including a failure to make adequate or timely disclosure to the public, regulators, or law enforcement agencies following any such incident, 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, privacy and cybersecurity laws and regulations governing the processing of personal 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, including personal information, in many jurisdictions and the movement of such data across national borders. The collection, storage, handling, disclosure, use, transfer, security and other processing of personal information that occurs in connection with our business is subject to federal, state, local and foreign data protection and privacy laws, regulations, rules, industry standards and other obligations. 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 and regulations apply not only to third-party transactions, but also to transfers of information within the Group. Data protection, privacy and cybersecurity laws may be interpreted and applied differently from country to country and may create inconsistent or conflicting requirements.

In Europe, the U.K., and Switzerland, there are data protection laws that have extra-territorial effect. These data protection laws require compliance by all companies that process data of EU, U.K., and Swiss citizens, regardless of the company's location, and also impose obligations on companies processing data of non-EU citizens. The data protection laws also impose requirements regarding the processing of personal data and confer 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.

We also need to comply with data protection laws in the U.S and Canada. In the U.S., there continue to be many changes in the data protection and privacy landscape. As states continue to focus on data protection, our compliance burden may increase.

Further, while we strive to publish and prominently display privacy policies that are accurate, comprehensive, and compliant with applicable laws, regulations, rules and industry standards, we cannot ensure that our privacy policies and other statements regarding our practices will be sufficient to protect us from claims, proceedings, liability or adverse publicity relating to data protection, privacy or cybersecurity. Although we endeavor to comply with our privacy policies, we may at times fail to do so or be alleged to have failed to do so. The publication of our privacy policies and other documentation that provide promises and assurances about data protection, privacy and cybersecurity can subject us to potential government or legal action if they are found to be deceptive, unfair, or misrepresentative of our actual practices. Any concerns about our data protection, privacy and cybersecurity practices, even if unfounded, could damage our reputation and adversely affect our business.

Compliance with obligations imposed by data protection, privacy, and cybersecurity legislation, including Bermuda's Personal Information Protection Act and Quebec's Law 25, requires investment in appropriate technical or organizational measures designed 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.

Any failure or perceived failure by us to comply with applicable data protection, privacy and cybersecurity laws, regulations, rules, industry standards and other obligations, or compromise of security that results in unauthorized access to, or unauthorized loss, destruction, use, modification, acquisition, disclosure, release or transfer of personal, sensitive, confidential or other client or Company information, could subject us to increased costs or restrictions on our business, future enforcement actions or investigations, regulatory penalties, claims, fines, criminal prosecution, judgments, awards, sanctions, monetary damages, costly litigation (including class actions) and significant legal liability. Such events could also result in negative publicity and damage to our reputation, distract our management and technical personnel, adversely affect the demand for our products and services 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 U.K. and Ireland, has been increasing in recent years, with initiatives such as those being undertaken in the U.K. to revamp its regulatory framework as it moves away from Solvency II, and the changes to Solvency II, Resolution Frameworks, and enhanced rules on AI governance in the EU is 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. A supervisory challenge we may face is the potential designation of AXIS as an Internationally Active Insurance Group ("IAIG") due to its growth. If AXIS receives such a designation, the expectation is that compliance will involve higher capital requirements and enhanced governance standards, including more robust risk management and group-wide oversight.

Further to this, we are seeing an increase in both the pace of, and severity of, regulatory change in Bermuda. The Bermuda Monetary Authority ("BMA") has indicated that it intends to change how it supervises insurance groups, which would result in a fundamental change to how the Group is supervised. At present, the BMA regulates the Group as its group supervisor, through AXIS Specialty Limited ("ASL") as Designated Insurer. The proposed new regime would see the BMA instead directly supervise the Group, doing away with the Designated Insurer regime that is currently in place. While this may not have a material impact on the Group on a day-to-day basis, it could lead to increased governance requirements.

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. In the past, we saw government, regulatory and judicial actions across multiple jurisdictions in relation to business interruption insurance exacerbate 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). There is a risk that should another global event occur, we will see a recurrence of this stance by governments, regulators, and the judiciary.

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. As a result, we are unable to predict what, if any, changes to laws and regulations impacting the U.S. insurance industry may be enacted by the U.S. Congress or the current presidential administration and what the impact of any such changes will be upon our business, financial condition, and results of operations. 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, 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. legal entity and group reporting and disclosure requirements including public disclosures, and group supervision.

The EU has adopted amendments to Solvency II which entered into force on 28 January 2025. Member states have two years to transpose the directive with application effective from 30 January 2027.

While the package is prudential in nature, aimed at capital calibration, proportionality, cross-border supervision and macro-prudential tools, we cannot predict the exact nature, timing or scope of future governmental or regulatory initiatives at the EU or national level. Such initiatives could adversely affect our business by, among other things:

- Changing participation requirements in national industry pools or guarantee schemes;
- Introducing consumer protection rules that affect product design or claims handling following severe events;
- Altering supervisory expectations or reporting obligations; and
- Creating uneven competitive impacts through differences in national transposition or supervisory practices.

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 prohibit 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 2025, 2024, and 2023, the closing price of our common shares fluctuated from a low of \$85.54 to a high of \$109.18, a low of \$54.27 to a high of \$94.05, and a low of \$51.68 to a high of \$63.47, 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, the rise in the use of artificial intelligence, 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 Specialty Insurance Limited, 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 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 that jurisdictions would adopt qualifying domestic top-up taxes ("QDMTTs"). In essence, these taxes allow a jurisdiction to levy a top-up charge on entities operating within its borders if their effective tax rate falls below 15%. Several jurisdictions in which we operate have now enacted the Model Rules, including QDMTTs, with application to accounting periods beginning on or after 31 December 2023.

Although domestic legislation implemented to affect the Model Rules is not expected to have a material effect on our global effective tax rate in the current accounting period, these taxes remain subject to a multilateral review process which is subject to ongoing development and the interpretation of these rules by tax authorities remains uncertain. The responses to Pillar 2 by various jurisdictions in which we operate (including the interpretation of domestic legislation by local tax authorities) will result in a material compliance burden with ongoing monitoring and filing requirements.

BEPS Project Developments

Further, on October 15, 2025, the G20/OECD Inclusive Framework on BEPS published "A Decade of the BEPS Initiative: an Inclusive Framework Stocktake Report to G20 Finance Ministers and Central Bank Governors" which reaffirmed the G20/OECD Inclusive Framework's agreement (as of April 2025) to continue to prioritize efforts to progress the implementation of the BEPS package of 15 Actions. Several of the areas of tax law (including double taxation treaties) on which the BEPS project continues to focus may be relevant to our ability to efficiently realize income or capital gains and repatriate such income and capital gains from the jurisdictions in which they arise to the Company. Accordingly, depending on the extent to and manner in which relevant jurisdictions implement changes in those areas of tax law (including double taxation treaties), our ability to efficiently realize income or capital gains and to repatriate such income and capital gains, may be adversely impacted.

We will be liable for 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 in future accounting periods.

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. The OECD published administrative guidance on January 15, 2025 regarding transition rules for deferred tax accounting attributes. This guidance may cause a portion of the Bermuda corporate income tax to not be regarded as a covered tax for purposes of Pillar Two in other jurisdictions, which 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 U.S. 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.

The U.K. government announced major reforms to the DPT regime during 2025, as part of a broader overhaul of transfer pricing, permanent establishment rules, and international tax alignment. These reforms were released through the Autumn Budget 2025, Finance Bill 2025–26, and HMRC publications.

DPT is to be abolished and replaced by "Unassessed Transfer Pricing Profits" ("UTTP"). There is currently a consultation period and new legislation is expected to be applied from January 1, 2026. Although DPT will be abolished, the new UTTP will have similar features of the DPT regime. If any of our companies is liable to UTTP, 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. 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 EU member states have, from time to time, called for harmonization of the corporate tax base within the EU. Ireland, along with other member states, has consistently resisted any movement towards standardized corporate tax rates or tax base in the EU. 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.

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.

Whilst the European Commission approved a draft directive "Proposal for a Council Directive on transfer pricing", which seeks to harmonize transfer pricing rules within the EU and ensure a common approach to transfer pricing, this remains to be adopted by the European Council. Therefore, whether these proposals will be taken forward, and if so the details and timing of their implementation and the impact on the Company, or any entities therein, is uncertain.

Changes in tax law as a result of the European Commission's BEFIT proposal could adversely affect us.

On September 12, 2023, the European Commission published a legislative proposal on "Business in Europe: Framework for Income Taxation" ("BEFIT"). The BEFIT proposal sets forth rules introducing a common framework for corporate income taxation in the EU, with the aim of replacing the current EU member states' various ways for determining the taxable base for groups of companies that have annual combined revenues exceeding €750 million and, in the case of groups of companies headquartered outside the EU, if the EU companies within the group have annual combined revenues exceeding €50 million or representing at least 5% of the total group revenues. BEFIT has the potential to alter taxing rights within the EU, and may include substantive changes to applicable tax rules (including, for example, the debt-equity bias reduction allowance proposal (commonly known as "DEBRA"), which would, if adopted, introduce both a tax allowance on increases in company equity and a limitation of the tax deductibility of interest payments). The BEFIT proposal will now move to the negotiation phase among EU member states with the aim of reaching unanimous agreement. The European Commission proposes that EU member states transpose a directive on BEFIT into EU member states' national laws by January 1, 2028 for the rules to come into effect as of July 1, 2028. The full detail of the proposals (and therefore their effect on the Company's business, financial condition and results of operations) is subject to change and currently remains subject to significant uncertainty; whilst the stated aims of the BEFIT proposals are intended to reduce compliance costs and tax burden for groups of companies operating within the EU, the impact of any such change could have an adverse effect on the Company's tax position.

General Risk Factors

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

Future changes in accounting practices may result in significant additional expenses and may affect the calculation of financial statement line items. 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, 2025, 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. Risk assessment, risk-based analysis, and judgment are used to select security controls to address risks. 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) security architecture and engineering, (3) identifying vulnerabilities, managing remediation, and testing of our security controls, 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.
- restricted physical access to critical areas, servers, and network equipment.
- support of our business continuity and disaster response plans.

Impact of Material Risk

To date, no cybersecurity incidents have materially impacted the Company, including the Company's business strategy, results of operations, or financial conditions. 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. As described above, we utilize a risk-based approach and judgment to determine the security controls to implement, and it is possible we may not implement appropriate controls if we do not recognize or underestimate a particular risk. In addition, security controls, no matter how well designed or implemented, may only mitigate and not fully eliminate risks and events, and when detected by security tools or third parties, may not always be immediately understood or acted upon. 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 Subcommittee, 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, together with the Risk and Audit Committees of the Board, oversees our information security program. In 2025, our Risk Committee received quarterly updates from the CISO on cybersecurity matters, and our Board and Audit Committee received updates from the CISO at least annually, as 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. We renew and enter into leases in the ordinary course of business as required. Our global headquarters is located at 29 Richmond Road, 3rd Flr, 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, 2026, the number of holders of record of our common shares was 19. 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, 2025:

Period	Total number of shares purchased ^{(a) (b)}	Average price paid per share	Total number of shares purchased as part of publicly announced programs ^(a)	Maximum number (or approximate dollar value) of shares that may yet be purchased under the programs ^{(c) (d) (e)}
October 1-31, 2025	2	\$94.20	—	\$400 million
November 1-30, 2025	2,915	\$98.85	2,911	\$112 million
December 1-31, 2025	3	\$102.20	—	\$112 million
Total	2,920		2,911	\$112 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 under our 2017 Long-Term Equity Compensation Plans.

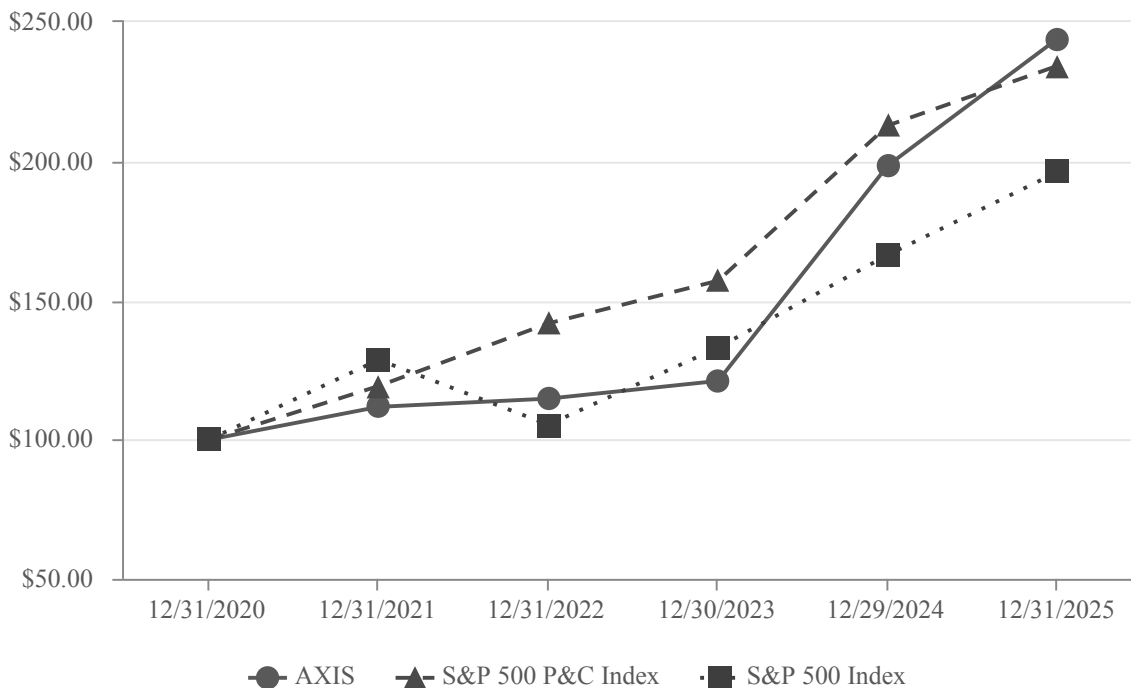
(c) On February 6, 2025, authorization under our Board-authorized share repurchase program for common share repurchases approved and announced in May 2024 was exhausted.

(d) On September 3, 2025, authorization under our Board-authorized share repurchase program for common share repurchases approved and announced in February 2025 was exhausted.

(e) On September 17, 2025, the Company's Board of Directors approved and announced a new share repurchase program for up to \$400 million of the Company's common shares. The new share repurchase program is open-ended, allowing the Company to repurchase its shares 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, 2020, through December 31, 2025, 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, 2021, 2022, 2023, 2024 and 2025 of a \$100 investment made on December 31, 2020, with all dividends reinvested.



	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
AXIS Capital Holdings Limited	\$100.00	\$111.80	\$114.75	\$105.40	\$198.52	\$244.07
S&P 500 P&C Index	\$100.00	\$119.28	\$141.79	\$157.12	\$212.86	\$234.32
S&P 500 Index	\$100.00	\$128.71	\$105.40	\$133.10	\$166.40	\$196.16

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, 2025 and 2024, and our financial condition at December 31, 2025 and 2024. 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.

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2025 FINANCIAL HIGHLIGHTS

2025 Consolidated Results of Operations

- Net income available to common shareholders of \$979 million, or \$12.52 per common share, and \$12.35 per diluted common share
- Operating income⁽¹⁾ of \$1.0 billion, or \$12.92 per diluted common share⁽¹⁾
- Gross premiums written of \$9.6 billion
- Net premiums written of \$6.1 billion
- Net premiums earned of \$5.7 billion
- Pre-tax catastrophe and weather-related losses, net of reinsurance, were \$159 million (\$127 million, after-tax), (Insurance: \$156 million; Reinsurance: \$3 million) or 2.8 points, including natural catastrophe and weather-related losses of \$137 million or 2.4 points, primarily attributable to California Wildfires, Hurricane Melissa and other weather-related events. The remaining losses of \$22 million or 0.4 points were attributable to the Middle East Conflict.
- Net favorable prior year reserve development of \$87 million
- Underwriting income⁽²⁾ of \$725 million and combined ratio of 89.8%
- Net investment income of \$767 million
- Net investment gains of \$59 million
- Foreign exchange losses of \$142 million
- Income tax expense of \$217 million, inclusive of a Bermuda deferred tax benefit of \$19 million. Refer to '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Overview – Recent Developments – Bermuda Corporate Income Tax Act 2023*' for further details.

2025 Consolidated Financial Condition

- Total cash and investments of \$17.2 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 \$34.5 billion
- Reserve for losses and loss expenses of \$18.1 billion and reinsurance recoverable on unpaid and paid losses and loss expenses of \$9.6 billion.
- Debt of \$1.3 billion and a debt to total capital ratio⁽³⁾ of 17.2%
- Total common shares repurchased were 10 million shares for a total of \$914 million, including \$888 million repurchased pursuant to our Board-authorized share repurchase programs, and \$27 million from employees to facilitate the satisfaction of their personal withholding tax liabilities that arise on vesting of share-settled restricted stock units
- Common shareholders' equity of \$5.8 billion; book value per diluted common share of \$77.20

(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, sustainability 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 specialty underwriting leader. The execution of our business strategy in 2025 included the following:

- growing in a number of targeted specialty lines insurance and reinsurance markets including U.S. excess and surplus lines and Lloyd's specialty insurance business;
- cycle-managing our portfolio towards attractive lines of business, that carry premium adequate returns while deploying capital within risk limits, diversification criteria and risk management strategy;
- 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 continued expansion of our North America product capabilities;
- 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 through our "How We Work" program;
- investing in data and technology, together with AI 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
- leveraging our sustainability program to support and to make a positive impact on our communities.

For discussion of our results of operations and changes in financial condition for year ended December 31, 2024, compared to year ended December 31, 2023, refer to Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2024 Form 10-K, which was filed with the SEC on February 26, 2025, and such discussions are incorporated herein by reference.

Outlook

We are executing on our commitment to advance AXIS as a specialty underwriting leader that delivers consistent, profitable growth. Our market positioning, diversified book of business, specialty underwriting acumen, global platform, claims management capabilities, and deep distribution relationships, supported by a well performing investment portfolio, provide the foundation for profitable growth in our targeted specialty markets.

The current trade and geopolitical environment introduce uncertainty across several dimensions including potential impacts on economic growth and loss costs. At AXIS, we assess all forms of uncertainty presented, and through our normal underwriting practices we take steps and measures that guard against adverse outcomes. Looking at the trends impacting our business:

- Following multiple years of rate increases outpacing loss cost trends across the specialty sector, overall pricing has moderated and in some sectors is softening. Casualty lines continue to see positive rate achievement while property rates are deteriorating due to the influx of capital being deployed in the space. We will continue to lean into sectors where premium adequacy metrics remain strong, where market dislocations arise and where organic profitable growth opportunities exist.
- The wholesale channel continues to experience submission growth in North America due to dislocations in the standard lines markets. This dynamic broadly enables specialty carriers to deploy a disciplined underwriting strategy to market opportunities.
- Overall pricing remains robust but is moderating for our reinsurance business. We continue to see nuances by line of business and expect these conditions to persist. We continue to focus on underwriting discipline and profitability.

Across the business, we will continue to pursue attractive opportunities by employing a focused underwriting strategy and selective appetite.

Where price continues to deliver adequate profitability, we will look to grow within our risk and volatility guidelines. With a strong and balanced book of business, and an expanding footprint in our chosen specialty markets, we believe AXIS remains well positioned to drive profitable growth in 2026.

Recent Developments

Loss Portfolio Transfer Reinsurance Agreement with Enstar

On December 13, 2024, we entered into a loss portfolio transfer reinsurance agreement ("LPT agreement") with Cavello Bay Reinsurance Limited, a wholly-owned subsidiary of Enstar Group Limited ("Enstar") to retrocede a portfolio of reinsurance business predominantly related to 2021 and prior underwriting years. The transaction was subject to regulatory approvals and other customary conditions.

On April 24, 2025 (the "closing date"), the LPT transaction was completed and consideration of \$2,039 million was paid to Enstar.

The transaction is structured as a 75% ground-up quota share retrocession of net reserves for losses and loss expenses of approximately \$2,060 million and provides cover up to a policy limit of approximately \$940 million. The transaction was deemed to have met the established criteria for retroactive reinsurance accounting. Under the terms of the LPT agreement we retained responsibility for the management of claims.

Pursuant to the LPT transaction, Enstar was required to post collateral equal to 102% of our estimate of Enstar's obligations based on our estimate of net reserves for losses and loss expenses at the closing date. The collateral is provided through a collateral trust arrangement (the "LPT Trust") established by Enstar. At December 31, 2025, the balance in the LPT Trust was \$1,895 million, together with a funds withheld balance of \$17 million, and a letter of credit of \$65 million, with the total balance of collateral securing Enstar's obligations of \$1,977 million. At December 31, 2025, the total reinsurance recoverable on unpaid losses associated with the LPT transaction was \$1,755 million.

In subsequent periods, we will reassess the reserves for losses and loss expenses subject to the LPT agreement. Any adverse prior year reserve development associated with the subject business will increase the cumulative amounts ceded to the reinsurer compared to the consideration paid and will increase the gain determined in accordance with retroactive reinsurance accounting. Consistent with our accounting policy, gains are deferred and amortized into net income over the claims settlement period.

Although retroactive reinsurance accounting may result in volatility to our results in the short-term, the LPT agreement will provide significant protection from prior year reserve development on the subject business over the contract term, provided this remains within the limit of the agreement.

Bermuda Corporate Income Tax Act of 2023

On December 27, 2023, the Bermuda government enacted the Corporate Income Tax Act 2023 (the "Act") which applies a corporate income tax of 15% for fiscal years beginning on or after January 1, 2025. The Act includes a provision referred to as the economic transition adjustment ("Bermuda ETA"), which is intended to provide a fair and equitable transition into the tax regime. Pursuant to the Act and subsequently issued guidance, the Company recorded a Bermuda ETA net deferred tax asset of \$177 million in 2024.

On December 11, 2025, the Bermuda government enacted the Corporate Income Tax Amendment (No. 2) Act 2025 (the "Amendment Act") which provided technical corrections to the Act. The Amendment Act includes a provision to allow for the derecognition of deferred tax liabilities where a Bermuda tax group recognized both deferred tax assets and deferred tax liabilities under the Bermuda ETA provision. Pursuant to the Amendment Act, we released \$19 million of deferred tax liabilities previously established under the Bermuda ETA provision in 2025.

While we anticipated utilizing the Bermuda ETA net deferred tax asset over a ten-year period, guidance issued by the OECD in January 2025 makes it likely that the benefit of the Bermuda ETA net deferred tax asset will only apply in 2025 and 2026. The benefit of the Bermuda ETA net deferred tax asset is excluded from operating income (loss).

Organization for Economic Cooperation and Development ("OECD") Update

On January 15, 2025, the OECD issued guidelines that limit the use of the Bermuda ETA net deferred tax asset and similar assets in other jurisdictions in which we operate under Global Anti-Base Erosion ("GLOBE") rules. The guidelines clarify the use of deferred tax assets under transition rules and limits the benefit of deferred tax assets relating to transactions that occurred after November 30, 2021. The guidelines seek to restrict the benefit of the Bermuda ETA net deferred tax asset to 20% of the balance at January 1, 2025 to be utilized in 2025 and 2026. Thereafter GLOBE rules will apply a minimum tax rate of 15% to pre-tax income generated in Bermuda by disallowing the benefit of the Bermuda ETA net deferred tax asset.

CONSOLIDATED RESULTS OF OPERATIONS

Year ended December 31,	2025	% Change	2024	% Change	2023
Underwriting revenues:					
Gross premiums written	\$9,644,514	7%	\$9,005,888	8%	\$8,356,525
Net premiums written	6,121,656	6%	5,757,351	13%	5,102,325
Net premiums earned	5,714,609	8%	5,306,235	4%	5,083,781
Other insurance related income	23,216	(24%)	30,721	37%	22,495
Underwriting expenses:					
Net losses and loss expenses	(3,288,541)	4%	(3,158,487)	(7%)	(3,393,102)
Acquisition costs	(1,136,469)	6%	(1,070,551)	7%	(1,000,945)
Underwriting-related general and administrative expenses ⁽¹⁾	(587,669)	10%	(536,442)	(3%)	(551,467)
Underwriting income⁽²⁾	725,146		571,476		160,762
Net investment income	766,903	1%	759,229	24%	611,742
Net investment gains (losses)	58,950	nm	(138,534)	86%	(74,630)
Corporate expenses ⁽¹⁾	(116,262)	(10%)	(129,760)	(2%)	(132,979)
Foreign exchange (losses) gains	(141,983)	nm	50,822	nm	(58,115)
Interest expense and financing costs	(66,659)	(2%)	(67,766)	(1%)	(68,421)
Reorganization expenses	—	(100%)	(26,312)	(9%)	(28,997)
Amortization of intangible assets	(9,917)	(9%)	(10,917)	—%	(10,917)
Income before income taxes and interest in income of equity method investments	1,216,178		1,008,238		398,445
Income tax (expense) benefit	(216,732)	nm	55,595	nm	(26,316)
Interest in income of equity method investments	9,452	(47%)	17,953	nm	4,163
Net income	1,008,898		1,081,786		376,292
Preferred share dividends	(30,250)	—%	(30,250)	—%	(30,250)
Net income available to common shareholders	\$ 978,648		\$ 1,051,536		\$ 346,042

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 \$116 million, \$130 million, and \$133 million for 2025, 2024, and 2023, 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,	2025	% Change	2024	% Change	2023
Gross premiums written:					
Insurance	\$ 7,179,206	9%	\$ 6,615,584	8%	\$ 6,140,764
Reinsurance	2,465,308	3%	2,390,304	8%	2,215,761
Total gross premiums written	\$ 9,644,514	7%	\$ 9,005,888	8%	\$ 8,356,525
Percent of gross premiums written ceded:					
Insurance	36%	— pts	36%	(3 pts)	39%
Reinsurance	39%	2 pts	37%	(2 pts)	39%
Total percent of gross premiums written ceded	37%	1 pt	36%	(3 pts)	39%
Net premiums written:					
Insurance	\$ 4,627,224	9%	\$ 4,250,545	13%	\$ 3,758,720
Reinsurance	1,494,432	(1%)	1,506,806	12%	1,343,605
Total net premiums written	\$ 6,121,656	6%	\$ 5,757,351	13%	\$ 5,102,325
Net premiums earned:					
Insurance	\$ 4,291,485	9%	\$ 3,926,036	13%	\$ 3,461,700
Reinsurance	1,423,124	3%	1,380,199	(15%)	1,622,081
Total net premiums earned	\$ 5,714,609	8%	\$ 5,306,235	4%	\$ 5,083,781

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,	2025	% Point Change	2024	% Point Change	2023
Current accident year loss ratio, excluding catastrophe and weather-related losses ⁽¹⁾	56.3%	0.6	55.7%	(0.2)	55.9%
Catastrophe and weather-related losses ratio ⁽¹⁾	2.8%	(1.5)	4.3%	1.6	2.7%
Current accident year loss ratio ⁽¹⁾	59.1%	(0.9)	60.0%	1.4	58.6%
Prior year reserve development ratio	(1.6%)	(1.1)	(0.5%)	(8.6)	8.1%
Net losses and loss expenses ratio	57.5%	(2.0)	59.5%	(7.2)	66.7%
Acquisition cost ratio	19.9%	(0.3)	20.2%	0.5	19.7%
General and administrative expense ratio ⁽²⁾	12.4%	(0.2)	12.6%	(0.9)	13.5%
Combined ratio	89.8%	(2.5)	92.3%	(7.6)	99.9%

(1) Current accident year loss ratio, catastrophe and weather-related losses ratio and current accident year loss ratio, excluding catastrophe and weather-related losses are non-GAAP financial measures as defined in Item 10(e) of SEC Regulation S-K. The reconciliations to the most comparable GAAP financial measure, net losses and loss expenses ratio is provided above 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) The general and administration expense ratio included corporate expenses not allocated to underwriting segments of 2.0%, 2.4% and 2.6% for 2025, 2024 and 2023, 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,	2025	% Change	2024	% Change	2023
Revenues:					
Gross premiums written	\$ 7,179,206	9%	\$ 6,615,584	8%	\$ 6,140,764
Net premiums written	4,627,224	9%	4,250,545	13%	3,758,720
Net premiums earned	4,291,485	9%	3,926,036	13%	3,461,700
Other insurance related income (loss)	677	nm	94	nm	(198)
Expenses:					
Current accident year net losses and loss expenses	(2,404,202)		(2,261,629)		(1,903,648)
Prior year reserve development	66,975		16,209		(176,353)
Acquisition costs	(820,324)		(766,915)		(648,463)
Underwriting-related general and administrative expenses	(537,558)		(485,929)		(472,094)
Underwriting income	\$ 597,053		\$ 427,866		\$ 260,944
Ratios:					
		% Point Change		% Point Change	
Current accident year loss ratio, excluding catastrophe and weather-related losses	52.4%	0.3	52.1%	0.3	51.8%
Catastrophe and weather-related losses ratio	3.6%	(1.9)	5.5%	2.3	3.2%
Current accident year loss ratio	56.0%	(1.6)	57.6%	2.6	55.0%
Prior year reserve development ratio	(1.5%)	(1.1)	(0.4%)	(5.5)	5.1%
Net losses and loss expenses ratio	54.5%	(2.7)	57.2%	(2.9)	60.1%
Acquisition cost ratio	19.1%	(0.4)	19.5%	0.8	18.7%
Underwriting-related general and administrative expense ratio	12.5%	0.1	12.4%	(1.3)	13.7%
Combined ratio	86.1%	(3.0)	89.1%	(3.4)	92.5%

nm – not meaningful

Gross Premiums Written

Gross premiums written by line of business were as follows:

Year ended December 31,	2025		2024		2023		% Change	
							2024 to 2025	2023 to 2024
Property	\$ 2,166,222	30%	\$ 2,050,329	31%	\$ 1,736,586	28%	6%	18%
Professional lines	1,343,252	19%	1,162,323	18%	1,140,695	19%	16%	2%
Liability	1,366,245	19%	1,251,603	19%	1,256,951	20%	9%	—%
Cyber	473,604	7%	561,937	8%	649,160	11%	(16%)	(13%)
Marine and aviation	880,604	12%	815,168	12%	771,162	13%	8 %	6%
Accident and health	564,374	8%	450,810	7%	333,559	5%	25%	35%
Credit and political risk	384,905	5%	323,414	5%	252,651	4%	19%	28%
Total	\$ 7,179,206	100%	\$ 6,615,584	100%	\$ 6,140,764	100%	9%	8%

Gross premiums written in 2025 increased by \$564 million, or 9% (\$553 million, or 8%, on a constant currency basis⁽¹⁾), compared to 2024, attributable to all lines of business with the exception of cyber lines.

The increases in professional lines, property, liability, accident and health, marine and aviation, and credit and political risk lines were driven by new business.

The increase in professional lines was also driven by a higher level of premiums associated with transactional liability business, increased rate associated with renewed environmental business, and higher renewals of program business, partially offset by reduced opportunities in Europe associated with competitive market conditions.

The increase in property lines was also due to higher renewals of program business and onshore renewable energy business, together with increased rate associated with program business, partially offset by reduced opportunities in the excess and surplus lines market associated with competitive market conditions.

The increase in liability lines was also driven by a higher level of premiums and increased rate associated with renewed U.S. excess casualty business, and higher renewals of program business, partially offset by a lower level of premiums in U.S. primary casualty business principally due to underwriting actions taken to reposition the portfolio.

The increase in accident and health lines was also attributable to a higher level of premiums and increased rate associated with renewed pet insurance business.

The decrease in cyber lines was related to the cancellation of two programs in 2024 and reduced opportunities associated with competitive market conditions, partially offset by premium adjustments related to business written on a line slip basis.

(1) Amounts presented on a constant currency basis are non-GAAP financial measures as defined in Item 10 (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.

Ceded Premiums Written

Ceded premiums written in 2025 were \$2,552 million, or 36% of gross premiums written, compared to \$2,365 million, or 36% in 2024. The increase in ceded premiums written of \$187 million, or 8% was primarily driven by increases in accident and health, credit and political risk, professional lines, and marine and aviation lines, partially offset by decreases in property, liability, and cyber lines.

The increase in accident and health lines was attributable to a new quota share treaty covering pet insurance business effective July 2024 and the increase in gross premiums written for 2025, compared to 2024. The increases in credit and political risk, professional lines, and marine and aviation lines reflected the increases in gross premiums written for 2025, compared to 2024.

The decreases in property, and liability lines were due to the restructuring of existing quota share treaties that increased our retentions on these lines of business, partially offset by increases in gross premiums written for 2025, compared to 2024. The decrease in cyber lines reflected the decrease in gross premiums written for 2025, compared to 2024.

Net Premiums Earned

Net premiums earned by line of business were as follows:

Year ended December 31,	2025		2024		2023		% Change	
							2024 to 2025	2023 to 2024
Property	\$ 1,347,011	30%	\$ 1,139,308	28%	\$ 878,849	26%	18%	30%
Professional lines	887,533	21%	817,535	21%	764,558	22%	9%	7%
Liability	543,627	13%	494,561	13%	496,381	14%	10%	—%
Cyber	310,837	7%	347,842	9%	323,025	9%	(11%)	8%
Marine and aviation	665,306	16%	614,826	16%	567,292	16%	8%	8%
Accident and health	338,522	8%	360,894	9%	306,061	9%	(6%)	18%
Credit and political risk	198,649	5%	151,070	4%	125,534	4%	31%	20%
Total	\$ 4,291,485	100%	\$ 3,926,036	100%	\$ 3,461,700	100%	9%	13%

Net premiums earned in 2025 increased by \$365 million, or 9%, compared to 2024, primarily driven by an increase in gross premiums earned in property lines together with a decrease in ceded premiums earned attributable to the restructuring of an existing quota share treaty that increased our retention of property business. In addition, gross premiums earned increased in professional lines, credit and political risk, liability, and marine and aviation lines.

These increases were partially offset by a decrease in gross premiums earned in cyber lines and a decrease in net premiums earned in accident and health lines attributable to an increase in ceded premiums earned associated with the new quota share treaty covering pet insurance business, effective July 2024.

Loss Ratio

The components of the loss ratio were as follows:

Year ended December 31,	2025	% Point Change	2024	% Point Change	2023
Current accident year loss ratio	56.0%	(1.6)	57.6%	2.6	55.0%
Prior year reserve development ratio	(1.5%)	(1.1)	(0.4%)	(5.5)	5.1%
Loss ratio	54.5%	(2.7)	57.2%	(2.9)	60.1%

Current Accident Year Loss Ratio

The current accident year loss ratio decreased to 56.0% in 2025 from 57.6% in 2024. The decrease in the current accident year loss ratio was impacted by a lower level of catastrophe and weather-related losses.

During 2025, catastrophe and weather-related losses, net of reinsurance, were \$156 million, or 3.6 points, including natural catastrophe and weather-related losses of \$134 million or 3.1 points attributable to California Wildfires, Hurricane Melissa and other weather-related events. The remaining losses of \$22 million, or 0.5 points were attributable to the Middle East Conflict.

Comparatively, in 2024, catastrophe and weather-related losses, net of reinsurance, were \$216 million, or 5.5 points, including natural catastrophe and weather-related losses of \$203 million, or 5.2 points, primarily attributable to Hurricanes Milton, Helene, and Beryl, and other weather-related events. The remaining losses of \$13 million, or 0.3 points were attributable to the Red Sea Conflict.

Adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio of 52.4% in 2025 was comparable to 52.1% in 2024, principally due to the benefits of changes in business mix, largely offsetting the impact of rate and trend.

Prior Year Reserve Development

Refer to Item 8, Note 8 to the Consolidated Financial Statements 'Reserve for Losses and Loss Expenses' for details of prior year reserve development by segment, reserve class and accident year.

Acquisition Cost Ratio

The acquisition cost ratio decreased to 19.1% in 2025 from 19.5% in 2024, primarily related to an increase in ceding commissions in accident and health lines, partially offset by an increase in gross acquisition cost attributable to changes in business mix driven by the increases in credit and political risk, accident and health, and excess and surplus lines property business written in recent periods which is associated with relatively higher gross acquisition cost ratios.

Underwriting-Related General and Administrative Expense Ratio

The underwriting-related general and administrative expense ratio of 12.5% in 2025 was comparable to 12.4% in 2024, mainly driven by increases in personnel costs associated with the expansion of underwriting teams and performance-related compensation costs, together with investments in information technology, largely offset by an increase in net premiums earned.

Reinsurance Segment

Results for the reinsurance segment were as follows:

Year ended December 31,	2025	% Change	2024	% Change	2023
Revenues:					
Gross premiums written	\$ 2,465,308	3%	\$ 2,390,304	8%	\$ 2,215,761
Net premiums written	1,494,432	(1%)	1,506,806	12%	1,343,605
Net premiums earned	1,423,124	3%	1,380,199	(15%)	1,622,081
Other insurance related income	22,539	(26%)	30,627	35%	22,693
Expenses:					
Current accident year net losses and loss expenses	(971,302)		(921,181)		(1,077,572)
Prior year reserve development	19,988		8,114		(235,529)
Acquisition costs	(316,145)		(303,636)		(352,482)
Underwriting-related general and administrative expenses	(50,111)		(50,513)		(79,373)
Underwriting income (loss)	\$ 128,093		\$ 143,610		\$ (100,182)
Ratios:					
		% Point Change		% Point Change	
Current accident year loss ratio, excluding catastrophe and weather-related losses	68.1%	2.1	66.0%	1.2	64.8%
Catastrophe and weather-related losses ratio	0.2%	(0.5)	0.7%	(0.9)	1.6%
Current accident year loss ratio	68.3%	1.6	66.7%	0.3	66.4%
Prior year reserve development ratio	(1.5%)	(1.0)	(0.5%)	(15.1)	14.6%
Net losses and loss expenses ratio	66.8%	0.6	66.2%	(14.8)	81.0%
Acquisition cost ratio	22.2%	0.2	22.0%	0.3	21.7%
Underwriting-related general and administrative expense ratio	3.6%	—	3.6%	(1.3)	4.9%
Combined ratio	92.6%	0.8	91.8%	(15.8)	107.6%

Gross Premiums Written:

Gross premiums written by line of business were as follows:

Year ended December 31,	2025		2024		2023		% Change		
							2024 to 2025	2023 to 2024	
Liability	\$ 667,626	27%	\$ 616,333	26%	\$ 642,801	29%	8%	(4%)	
Professional lines	415,266	17%	421,846	18%	379,222	17%	(2%)	11%	
Motor	268,080	11%	238,961	10%	201,466	9%	12%	19%	
Accident and health	366,159	15%	436,296	18%	396,668	18%	(16%)	10%	
Credit and surety	510,094	21%	417,717	17%	351,083	16%	22%	19%	
Agriculture	161,151	7%	150,373	6%	126,300	6%	7%	19%	
Marine and aviation	64,870	2%	82,274	3%	62,260	3%	(21%)	32%	
<i>Run-off lines</i>									
Catastrophe	677	—%	10,823	1%	30,175	1%	(94%)	(64%)	
Property	3,715	—%	3,130	—%	21,513	1%	19%	(85%)	
Engineering	7,670	—%	12,551	1%	4,273	—%	(39%)	nm	
<i>Total run-off lines</i>	12,062	—%	26,504	2%	55,961	2%	(54%)	(53%)	
Total	\$ 2,465,308	100%	\$ 2,390,304	100%	\$ 2,215,761	100%	3%	8%	

nm – not meaningful

Gross premiums written in 2025 increased by \$75 million, or 3%, (\$94 million, or 4%, on a constant currency basis) compared to 2024. The increase was primarily attributable to new business and premium adjustments.

The increase in credit and surety lines was driven by new credit and political risk business, new surety business, and a higher level of positive premium adjustments attributable to credit business, partially offset by a lower level of positive premium adjustments related to mortgage business.

The increase in liability lines was due to a higher level of positive premium adjustments, new general liability business including business at Lloyd's, new workers compensation business, the restructuring of a contract at Lloyds and the timing of renewals, partially offset by non-renewals and decreased line sizes.

The decrease in accident and health lines was driven by decreased line sizes and non-renewals attributable to increased competition and clients retaining more business, a lower level of premiums associated with a short-term medical program, and negative premium adjustments in 2025, compared to positive premium adjustments in 2024 associated with a short-term medical program.

Ceded Premiums Written

Ceded premiums written in 2025 were \$971 million, or 39%, of gross premiums written, compared to \$883 million, or 37%, in 2024. The increase in ceded premiums written of \$87 million, or 10%, was primarily driven by increases in liability, credit and surety, motor, and agriculture lines, partially offset by a decrease in accident and health lines.

The increases in liability, credit and surety, and motor lines reflected the increase in gross premiums written in 2025, compared to 2024. The increases in liability, credit and surety, and motor lines also reflected the restructuring of quota share retrocession treaties with strategic capital partners that decreased our retentions of these lines of business. The increases in liability lines was also due to the restructuring of a quota share retrocession treaty that decreased our retention of this line of business.

The decrease in accident and health lines reflected the decrease in gross premiums written in 2025, compared to 2024.

Net Premiums Earned

Net premiums earned by line of business were as follows:

Year ended December 31,	2025		2024		2023		% Change	
							2024 to 2025	2023 to 2024
Liability	\$ 314,003	22%	\$ 309,265	22%	\$ 403,239	25%	2%	(23%)
Professional lines	198,457	14%	169,074	12%	205,404	13%	17%	(18%)
Motor	126,233	9%	123,545	9%	155,942	10%	2%	(21%)
Accident and health	303,690	21%	322,932	23%	341,806	21%	(6%)	(6%)
Credit and surety	273,702	19%	231,780	17%	236,408	15%	18%	(2%)
Agriculture	137,367	10%	126,549	9%	121,628	7%	9%	4%
Marine and aviation	57,667	4%	64,609	5%	65,658	4%	(11%)	(2%)
<u>Run-off lines</u>								
Catastrophe	406	—%	13,412	2%	33,963	1%	(97%)	(61%)
Property	3,845	—%	6,266	—%	44,508	3%	(39%)	(86%)
Engineering	7,754	1%	12,767	1%	13,525	1%	(39%)	(6%)
<u>Total run-off lines</u>	<u>12,005</u>	<u>1 %</u>	<u>32,445</u>	<u>3 %</u>	<u>91,996</u>	<u>5 %</u>	<u>(63%)</u>	<u>(65%)</u>
Total	\$ 1,423,124	100%	\$ 1,380,199	100%	\$ 1,622,081	100%	3%	(15%)

Net premiums earned in 2025 increased by \$43 million, or 3%, compared to 2024 primarily driven by an increase in gross premiums earned in credit and surety lines, partially offset by an increase in ceded premiums earned in credit and surety lines attributable to the restructuring of existing quota share treaties that decreased our retentions of this business. In addition, gross premiums earned increased in professional lines.

These increases were partially offset by decreases in gross premiums earned in run-off lines and accident and health lines.

Loss Ratio

The components of the loss ratio were as follows:

Year ended December 31,	2025	% Point Change	2024	% Point Change	2023
Current accident year loss ratio	68.3%	1.6	66.7%	0.3	66.4%
Prior year reserve development ratio	(1.5%)	(1.0)	(0.5%)	(15.1)	14.6%
Loss ratio	66.8%	0.6	66.2%	(14.8)	81.0%

Current Accident Year Loss Ratio

The current accident year loss ratio increased to 68.3% in 2025 from 66.7% in 2024.

During 2025, catastrophe and weather-related losses, net of reinsurance, were \$3 million, or 0.2 points, primarily attributable to California Wildfires.

Comparatively, in 2024, catastrophe and weather-related losses, net of reinsurance, were \$10 million, or 0.7 points, primarily attributable to Hurricanes Milton and Helene and other weather-related events.

Adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio increased to 68.1% in 2025 from 66.0% in 2024, principally due to the impact of rate and trend, partially offset by changes in business mix.

Prior Year Reserve Development

Refer to Item 8, Note 8 to the Consolidated Financial Statements '*Reserve for Losses and Loss Expenses*' for details of prior year reserve development by segment, reserve class and accident year.

Acquisition Cost Ratio

The acquisition cost ratio of 22.2% in 2025 was comparable to 22.0% in 2024, primarily related to an increase in gross acquisition costs attributable to credit and surety, and professional lines, partially offset by lower adjustments attributable to loss-sensitive features in credit and surety lines including mortgage business, and liability lines and the benefit of retrocessional contracts driven by credit and surety, and liability lines.

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,	2025	% Change	2024	% Change	2023
Fixed maturities	\$ 612,198	(1%)	\$ 620,704	21%	\$ 514,842
Other investments	69,275	42%	48,666	nm	20,411
Equity securities	13,593	5%	12,922	7%	12,088
Mortgage loans	23,587	(31%)	34,028	(4%)	35,312
Cash and cash equivalents	75,092	26%	59,600	19%	50,261
Short-term investments	3,136	(75%)	12,569	41%	8,924
Gross investment income	796,881	1%	788,489	23%	641,838
Investment expense	(29,978)	2%	(29,260)	(3%)	(30,096)
Net investment income	\$ 766,903	1%	\$ 759,229	24%	\$ 611,742
Pre-tax yield:⁽¹⁾					
Fixed maturities	4.8%		4.5%		3.9%

nm – not meaningful

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

Fixed Maturities

2025 versus 2024: Net investment income in 2025 decreased by \$9 million or 1%, compared to 2024 due to the decrease in average fixed maturities principally driven by the sale and redemption of securities used to fund the consideration paid for the LPT transaction with Enstar.

Other Investments

Other investments include multi-strategy funds, direct lending funds, private equity funds, real estate funds, other privately held investments and a final distribution from CLO-Equities. These investments are recorded at fair value, with changes in fair value and income distributions reported in net investment income. 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,	2025	2024	2023
Multi-strategy, direct lending, private equity and real estate funds	\$ 49,077	\$ 41,277	\$ 20,867
Other privately held investments	19,614	6,502	(2,875)
CLO-Equities	584	887	2,419
Total net investment income from other investments	\$ 69,275	\$ 48,666	\$ 20,411

2025 versus 2024: Net investment income in 2025 increased by \$21 million or 42%, compared to 2024 due to higher returns from direct lending funds and other privately held investments.

Mortgage Loans

2025 versus 2024: Net investment income in 2025 decreased \$10 million or 31%, compared to 2024 due to loan repayments during the year.

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,	2025	2024	2023
<i>On sale of investments:</i>			
Fixed maturities, short-term investments, and cash and cash equivalents	\$ (24,571)	\$ (153,249)	\$ (125,160)
Equity securities	28,512	17,041	16,208
Mortgage loans	(4,950)	(7,215)	—
	<u>(1,009)</u>	<u>(143,423)</u>	<u>(108,952)</u>
(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	2,103	6,821	974
(Increase) decrease in allowance for expected credit losses, mortgage loans	(6,364)	(17,159)	(6,220)
Impairment losses ⁽¹⁾	(2,268)	(408)	(12,757)
Change in fair value of investment derivatives	(1,275)	1,783	(1,456)
Net unrealized gains (losses) on equity securities	<u>67,763</u>	<u>13,852</u>	<u>53,781</u>
Net investment gains (losses)	\$ 58,950	\$ (138,534)	\$ (74,630)

(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.

On Sale of Investments and Net Unrealized Gains (Losses) on Equity Securities

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.

2025 versus 2024: Net investment gains in 2025 were \$59 million compared to net investment losses of \$139 million in 2024. Net investment gains reported in 2025 mainly reflected net realized and unrealized gains on equities, partially offset by net realized losses on the sale of corporate debt and Agency RMBS.

Net investment losses reported in 2024 mainly reflected net realized losses on the sale of corporate debt, Agency RMBS and U.S. government, partially offset by net realized and unrealized gains on equity securities.

(Increase) Decrease in Allowance for Expected Credit Losses, Fixed Maturities, Available for Sale

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

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

2025 versus 2024: The allowance for expected credit losses increased by \$6 million in 2025 compared to \$17 million in 2024, primarily related to commercial mortgage loans exposed to the office sector. Refer to Item 8, Note 5(d) to the Consolidated Financial Statements 'Investments'.

Impairment Losses

Refer to 'Critical Accounting Estimates – Impairment losses' for further details).

Change in Fair Value of Investment Derivatives

We economically hedge residual foreign exchange exposure with derivative contracts.

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,	2025	2024	2023
Net investment income	\$ 766,903	\$ 759,229	\$ 611,742
Net investment gains (losses)	58,950	(138,534)	(74,630)
Change in net unrealized gains (losses) on fixed maturities ⁽¹⁾	344,991	125,742	448,477
Interest in income of equity method investments	9,452	17,953	4,163
Total	\$ 1,180,296	\$ 764,390	\$ 989,752
Average cash and investments⁽²⁾	\$ 17,052,541	\$ 17,409,516	\$ 16,155,418
Pre-tax, total return on average cash and investments:			
Including investment related foreign exchange movements	6.9%	4.4%	6.1%
Excluding investment related foreign exchange movements ⁽³⁾	6.2%	4.8%	5.8%

- (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 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 \$130 million, \$(63) million and \$51 million for the years ended December 31, 2025, 2024 and 2023, respectively.

OTHER EXPENSES (REVENUES), NET

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

Year ended December 31,	2025	% Change	2024	% Change	2023
Corporate expenses	\$ 116,262	(10%)	\$ 129,760	(2%)	\$ 132,979
Foreign exchange losses (gains)	141,983	nm	(50,822)	nm	58,115
Interest expense and financing costs	66,659	(2%)	67,766	(1%)	68,421
Income tax expense (benefit)	216,732	nm	(55,595)	nm	26,316
Total	\$ 541,636		\$ 91,109		\$ 285,831

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 decreased to 2.0% in 2025 from 2.4% in 2024 due to a decrease in corporate expenses and an increase in net premiums earned. The decrease in corporate expenses in 2025 was mainly driven by a decrease in professional fees.

Foreign Exchange Losses (Gains)

Foreign exchange losses in 2025 were primarily related to the impact of the weakening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in euro and pound sterling.

Foreign exchange gains in 2024 were primarily related to the impact of the strengthening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in euro and Canadian dollar, partially offset by the weakening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in pound sterling.

Interest Expense and Financing Costs

Interest expense and financing costs are related to interest due on the senior unsecured notes, junior subordinated notes and the Federal Home Loan advances ("FHLB advances") received in 2025 and 2024.

Interest expense and financing costs of \$67 million in 2025 was comparable to \$68 million in 2024.

Income Tax Expense (Benefit)

Income tax expense (benefit) primarily results from income (loss) generated by our global operations. 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 17.7%, (5.4%), and 6.5% in 2025, 2024, and 2023, respectively. This effective rate can vary between years depending on the distribution of net income (loss) across jurisdictions, as well as other factors.

The tax expense of \$217 million in 2025 was principally due to pre-tax income in our Bermuda, U.K., U.S. and European operations, partially offset by a Bermuda deferred tax benefit of \$19 million associated with the write off Bermuda deferred tax liabilities, following amendments to Bermuda's Corporate Income Tax Act 2023, effective December 2025.

The tax benefit of \$56 million in 2024 was principally due to the recognition of an income tax benefit of \$177 million related to Bermuda corporate income tax rate of 15%, pursuant to the Corporate Income Tax Act 2023 and adjustments related to certain deferred tax assets and deferred tax liabilities that are no longer required, partially offset by pre-tax income in our U.S., U.K. and European operations.

Valuation allowance (refer to Item 8, Note 20 to the Consolidated Financial Statements 'Income taxes').

In 2025, the valuation allowance decreased by \$12 million. The net gain incurred by AXIS Re Europe, the Swiss branch of the Irish reinsurance company, resulted in the release of a valuation allowance of \$8 million against the net deferred tax assets of which \$4 million was released in net income (loss) and \$4 million was released in other comprehensive income (loss). The remaining valuation allowance of \$0.3 million was fully released against foreign tax credits held by AXIS Specialty Europe.

In 2024, the valuation allowance decreased by \$19 million. The net gain incurred by AXIS Re SE, the Irish reinsurance company, resulted in the release of a valuation allowance of \$13 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 \$8 million was released to net income (loss) and \$5 million was released in other comprehensive income (loss). A valuation allowance of \$7 million was also released against U.S. foreign tax credits held by AXIS Specialty Europe SE.

At December 31, 2025 and 2024, the U.S. operations had a deferred tax asset of \$1 million and \$19 million, respectively, 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.

At December 31, 2025 and 2024, the Bermuda operations had a deferred tax liability of \$11 million and a deferred tax asset of \$17 million, respectively, for the unrealized losses on its fixed maturities that were recorded in other comprehensive income (loss). Due to the net unrealized investment gains in Bermuda, a valuation allowance was not required.

At December 31, 2025 and 2024, the Company's Bermuda operations had a deferred tax asset of \$177 million related to the Bermuda ETA. We examined the need for a valuation allowance and after considering all positive and negative evidence concluded a valuation allowance against this asset in Bermuda 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,	2025	2024	2023
Return on average common equity ⁽¹⁾	17.3%	20.5%	7.9%
Operating return on average common equity ⁽²⁾	18.1%	18.6%	11.0%
Book value per diluted common share ⁽³⁾	\$ 77.20	\$ 65.27	\$ 54.06
Cash dividends declared per common share	\$ 1.76	\$ 1.76	\$ 1.76

- (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.

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.

The decrease in ROACE in 2025, compared to 2024, was primarily driven by an increase in average common shareholders' equity, and to a lesser extent, a decrease in net income available to common shareholders.

The decrease in operating ROACE in 2025, compared to 2024, was primarily driven by an increase in average common shareholders' equity, partially offset by an increase in operating 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 2025, book value per diluted common share increased by 18%, driven by net income for the year, and net unrealized investment gains reported in accumulated other comprehensive income (loss), partially offset by common share repurchases, and common dividends declared.

In 2024, book value per diluted common share increased by 21%, 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.

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 two consecutive years.

NON-GAAP FINANCIAL MEASURES RECONCILIATION

Year ended December 31,	2025	2024	2023
Net income available to common shareholders	\$ 978,648	\$ 1,051,536	\$ 346,042
Net investment (gains) losses	(58,950)	138,534	74,630
Foreign exchange losses (gains)	141,983	(50,822)	58,115
Reorganization expenses	—	26,312	28,997
Interest in income of equity method investments	(9,452)	(17,953)	(4,163)
Bermuda deferred tax asset ⁽¹⁾	(18,782)	(176,923)	—
Income tax benefit ⁽²⁾	(9,235)	(18,649)	(17,488)
Operating income	<u>\$ 1,024,212</u>	<u>\$ 952,035</u>	<u>\$ 486,133</u>
Earnings per diluted common share	\$ 12.35	\$ 12.35	\$ 4.02
Net investment (gains) losses	(0.74)	1.63	0.87
Foreign exchange losses (gains)	1.79	(0.60)	0.68
Reorganization expenses	—	0.31	0.34
Interest in income of equity method investments	(0.12)	(0.21)	(0.05)
Bermuda deferred tax asset	(0.24)	(2.08)	—
Income tax benefit	(0.12)	(0.22)	(0.21)
Operating income per diluted common share	<u>\$ 12.92</u>	<u>\$ 11.18</u>	<u>\$ 5.65</u>
Weighted average diluted common shares outstanding ⁽³⁾	79,266	85,176	86,012
Average common shareholders' equity	\$ 5,672,907	\$ 5,126,288	\$ 4,401,553
Return on average common equity	17.3%	20.5%	7.9%
Operating return on average common equity	18.1%	18.6%	11.0%

- (1) Bermuda deferred tax benefit in 2025 is due to the derecognition of deferred tax liabilities related to Bermuda corporate income tax. Bermuda deferred tax benefit in 2024 is due to the recognition of deferred tax assets net of deferred tax liabilities related to Bermuda corporate income tax.
- (2) Tax expense (benefit) associated with the adjustments to net income (loss) available (attributable) to common shareholders. Tax impact is estimated by applying the statutory rates of applicable jurisdictions.
- (3) 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), current accident year loss ratio, catastrophe and weather-related losses ratio, current accident year loss ratio, excluding catastrophe and weather-related losses, 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 average 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 consolidated 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 2024 primarily related to severance costs attributable to our "How We Work" program. Reorganization expenses in 2023 primarily related to impairments of computer software assets and severance costs attributable to our "How We Work" program which is focused on simplifying our operating structure. 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 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'*.

Current Accident Year Loss Ratio

Current accident year loss ratio represents net losses and loss expenses ratio exclusive of net favorable (adverse) prior year reserve development. We believe that the presentation of current accident year loss ratio provides investors with an enhanced understanding of our results of operations by highlighting net losses and loss expenses associated with our underwriting activities excluding the impact of volatile prior year reserve development. The reconciliation of current accident year loss ratio to net losses and loss expenses ratio, 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'*.

Catastrophe and Weather-Related Losses Ratio and Current Accident Year Loss Ratio, excluding Catastrophe and Weather-Related Losses

Catastrophe and weather-related losses ratio represents net losses and loss expenses ratio associated with natural catastrophes, man-made disasters, other significant catastrophe events and other weather-related events exclusive of net favorable (adverse) prior year reserve development.

Current accident year loss ratio, excluding catastrophe and weather-related losses represents net losses and loss expenses ratio exclusive of net favorable (adverse) prior year reserve development and net losses and loss expenses associated with natural catastrophes, man-made disasters, other significant catastrophe events and other weather-related events.

We believe that the presentation of these ratios that separately identify net losses and loss expenses associated with catastrophe and weather-related events provide investors with an enhanced understanding of our results of operations due to the inherently unpredictable nature of the occurrence of these events, the potential magnitude of these losses and the complexity that affects our ability to accurately estimate ultimate losses associated with these events.

The reconciliation of catastrophe and weather-related losses ratio and current accident year loss ratio, excluding catastrophe and weather-related losses to net losses and loss expenses ratio, 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, interest in income (loss) of equity method investments and Bermuda deferred tax asset.

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 2024 primarily related to severance costs attributable to our "How We Work" program. Reorganization expenses in 2023 primarily related to impairments of computer software assets and severance costs attributable to our "How We Work" program which is focused on simplifying our operating structure. 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).

Bermuda deferred tax benefit in 2025 is due to the derecognition of deferred tax liabilities related to Bermuda corporate income tax, pursuant to the Corporate Income Tax Act amendment (No. 2) 2025 that is effective December 11, 2025. Bermuda deferred tax benefit in 2024 is due to the recognition of deferred tax assets net of deferred tax liabilities, pursuant to the Corporate Income Tax Act 2023 that is effective for fiscal years beginning on or after January 1, 2025. Bermuda deferred tax benefits are not related to the underwriting process. Therefore, this income 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, interest in income (loss) of equity method investments and Bermuda deferred tax asset 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, interest in income (loss) of equity method investments and Bermuda deferred tax asset 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 Average Cash and Investments excluding Foreign Exchange Movements

Pre-tax, total return on average cash and investments excluding foreign exchange movements measures net investment income (loss), net investment 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 average cash and investments excluding foreign exchange movements to pre-tax, total return on average 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:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Fair value</u>	<u>Fair value</u>
Fixed maturities, available for sale	\$ 13,018,027	\$ 12,152,753
Fixed maturities, held to maturity ⁽¹⁾	395,942	436,751
Equity securities	707,569	579,274
Mortgage loans	356,840	505,697
Other investments	1,027,798	930,278
Equity method investments	227,181	206,994
Short-term investments	20,298	223,666
Total investments	\$ 15,753,655	\$ 15,035,413
Cash and cash equivalents ⁽²⁾	\$ 1,321,185	\$ 3,063,621

(1) Presented at net carrying value of \$397 million (2024: \$443 million) in the consolidated balance sheets.

(2) Includes restricted cash and cash equivalents of \$501 million and \$920 million for 2025 and 2024, respectively.

Overview

The fair value of total investments increased by \$718 million in 2025, driven by the reinvestment of interest income and income from operations, and the increase in market value of fixed maturities due to the decline in yields.

Cash and Cash equivalents

At December 31, 2025, cash and cash equivalents were \$1.3 billion compared to \$3.1 billion at December 31, 2024, a decrease of \$1.7 billion. Cash and cash equivalents at December 31, 2024 were higher than usual in anticipation of premiums to be paid for the LPT agreement on receipt of regulatory approval.

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, 2025		December 31, 2024	
	Fair value	% of total	Fair value	% of total
Fixed maturities:				
U.S. government and agency	\$ 2,417,901	18%	\$ 2,802,986	22%
Non-U.S. government	810,544	6%	729,939	6%
Corporate debt	5,365,509	41%	4,957,807	39%
Agency RMBS	2,035,352	15%	1,184,845	9%
CMBS	801,511	6%	819,608	7%
Non-agency RMBS	190,124	1%	122,536	1%
ABS	1,740,933	13%	1,860,966	15%
Municipals ⁽¹⁾	52,095	—%	110,817	1%
Total	\$ 13,413,969	100%	\$ 12,589,504	100%
Credit ratings:				
U.S. government and agency	\$ 2,417,901	18%	\$ 2,802,986	22%
AAA ⁽²⁾	2,577,512	19%	2,665,334	21%
AA	3,182,165	24%	2,354,372	19%
A	2,331,459	17%	2,090,516	17%
BBB	1,339,101	10%	1,190,381	9%
Below BBB ⁽³⁾	1,565,831	12%	1,485,915	12%
Total	\$ 13,413,969	100%	\$ 12,589,504	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, 2025, fixed maturities had a weighted average credit rating of A+ (2024: A+), a book yield of 4.6% (2024: 4.5%), and an average duration of 3.1 years (2024: 2.8 years).

At December 31, 2025, fixed maturities together with short-term investments, and cash and cash equivalents (i.e., total investments of \$14.8 billion) had a weighted average credit rating of AA- (2024: AA-) and an average duration of 2.8 years (2024: 2.5 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, 2025, the fair value of fixed maturities not rated was \$1 million (2024: \$3 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:

Country	December 31, 2025			December 31, 2024		
	Fair value	% of total	Weighted average credit rating	Fair value	% of total	Weighted average credit rating
<i>Eurozone countries:</i>						
Supranationals ⁽¹⁾	\$ 36,859	5%	AA+	\$ 43,494	6%	AAA
Germany	18,125	2%	AAA	25,126	3%	AAA
Luxembourg	7,762	1%	BBB	—	—%	—
France	4,153	1%	A-	6,127	1%	A
Netherlands	2,169	—%	AAA	6,584	1%	AAA
Total eurozone	69,068	9%	AA	81,331	11%	AA+
<i>Other concentrations:</i>						
Canada	421,535	52%	AA+	322,111	44%	AA+
United Kingdom	265,617	33%	AA-	259,282	36%	AA-
Mexico	6,270	1%	BBB	3,303	—%	BBB
Other	48,054	5%	AA	63,912	9%	BBB
Total other concentrations	741,476	91%	AA	648,608	89%	AA
Total non-U.S. government	\$ 810,544	100%	AA	\$ 729,939	100%	AA

(1) Includes supranationals only in the eurozone.

At December 31, 2025, net unrealized losses on non-U.S. government securities were \$12 million (2024: \$23 million) which included gross unrealized foreign exchange losses of \$1 million (2024: \$19 million), mainly related to Canada and 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, 2025			December 31, 2024		
	Fair value	% of total	Weighted average credit rating	Fair value	% of total	Weighted average credit rating
<i>Financial institutions:</i>						
U.S. banks	\$ 623,817	12%	A	\$ 679,827	14%	A
Corporate/commercial finance	720,965	13%	BBB	558,577	11%	BBB
Non-U.S. banks	394,037	7%	A	411,074	8%	A
Insurance	242,309	5%	A-	223,503	5%	A-
Investment brokerage	154,770	3%	BBB	132,237	3%	BBB
Total financial institutions	2,135,898	40%	A-	2,005,218	41%	A-
Consumer non-cyclicals	543,440	10%	BBB-	515,072	10%	BBB-
Consumer cyclical	526,340	10%	BB	506,912	10%	BB
Communications	391,897	7%	BBB-	336,192	7%	BB+
Industrials	568,203	11%	BB+	533,401	11%	BB
Technology	397,522	7%	BB+	299,938	6%	BB+
Utilities	284,196	5%	A-	253,756	5%	A-
Energy	286,713	5%	BBB-	252,851	5%	BBB-
Other	231,300	5%	A+	254,467	5%	A
Total	\$ 5,365,509	100%	BBB	\$ 4,957,807	100%	BBB
<i>Credit quality summary:</i>						
Investment grade	\$ 3,803,562	71%	A-	\$ 3,477,840	70%	A-
Non-investment grade	1,561,947	29%	B+	1,479,967	30%	B+
Total	\$ 5,365,509	100%	BBB	\$ 4,957,807	100%	BBB

At December 31, 2025, our non-investment grade portfolio had a fair value of \$1,562 million (2024: \$1,480 million), a weighted average credit rating of B+ (2024: B+) and duration of 1.8 years (2024: 2.2 years). At December 31, 2025, our corporate debt portfolio, including non-investment grade securities, had a duration of 3.2 years (2024: 3.2 years).

Mortgage-Backed Securities

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

	December 31, 2025		December 31, 2024	
	RMBS	CMBS	RMBS	CMBS
Government agency	\$ 2,035,352	\$ 166,392	\$ 1,184,845	\$ 142,214
AAA	184,093	571,618	115,115	614,801
AA	4,451	44,408	5,280	51,411
A	207	17,578	250	7,439
BBB	57	868	81	2,732
Below BBB ⁽¹⁾	1,316	647	1,810	1,011
Total	\$ 2,225,476	\$ 801,511	\$ 1,307,381	\$ 819,608

(1) Non-investment grade securities and non-rated 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, 2025, agency RMBS had an average duration of 5.2 years (2024: 5.2 years).

Non-agency RMBS mainly include investment grade bonds originated by non-agencies. At December 31, 2025, 99% (2024: 98%) of our non-agency RMBS were rated AA or better. At December 31, 2025, non-agency RMBS had an average duration of 3.5 years (2024: 4.3 years) and weighted average life of 2.3 years (2024: 5.4 years).

Commercial MBS

CMBS mainly include investment grade bonds originated by non-agencies. At December 31, 2025, 98% (2024: 99%) of our CMBS were rated AA or better. At December 31, 2025, the weighted average estimated subordination percentage of the portfolio was 32% (2024: 34%), 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, 2025, CMBS had an average duration of 2.7 years (2024: 2.7 years) and weighted average life of 3.3 years (2024: 3.7 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					Total
	AAA	AA	A	BBB	Below BBB	
At December 31, 2025						
CLO - debt tranches	\$ 635,695	\$ 220,572	\$ 65,367	\$ 23,842	\$ —	\$ 945,476
Auto loans	305,265	—	307	—	—	305,572
Student loans	94,039	11,164	—	—	—	105,203
Credit card receivables	89,379	239	—	—	—	89,618
Other	216,558	4,450	65,206	6,925	1,925	295,064
Total	\$ 1,340,936	\$ 236,425	\$ 130,880	\$ 30,767	\$ 1,925	\$ 1,740,933
% of total	76%	14%	8%	2%	—%	100%
At December 31, 2024						
CLO - debt tranches	\$ 599,224	\$ 303,480	\$ 54,712	\$ 29,861	\$ —	\$ 987,277
Auto loans	447,594	—	—	—	—	447,594
Student loans	56,995	11,968	—	—	—	68,963
Credit card receivables	71,390	577	—	—	—	71,967
Other	262,632	674	16,747	3,527	1,585	285,165
Total	\$ 1,437,835	\$ 316,699	\$ 71,459	\$ 33,388	\$ 1,585	\$ 1,860,966
% of total	77%	17%	4%	2%	—%	100%

At December 31, 2025, the average duration of our ABS portfolio was 1.1 years (2024: 1.0 year) and the weighted average life was 3.8 years (2024: 3.1 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, 2025, our municipals had a fair value of \$52 million (2024: \$111 million), a weighted average credit rating of AA- (2024: AA-) and duration of 3.7 years (2024: 3.3 years).

Gross Unrealized Losses

At December 31, 2025, the gross unrealized losses on our fixed maturities, available for sale portfolio were \$99 million (2024: \$311 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:

Severity of Unrealized Loss	December 31, 2025			December 31, 2024		
	Fair value	Gross unrealized losses	% of total gross unrealized losses	Fair value	Gross unrealized losses	% of total gross unrealized losses
0-10%	\$ 2,545,441	\$ (55,806)	62%	\$ 5,564,985	\$ (147,136)	50%
10-20%	252,267	(33,835)	38%	866,342	(138,082)	46%
20-30%	712	(216)	—%	43,062	(11,696)	4%
30-40%	—	—	—%	183	(89)	—%
40-50%	—	—	—%	—	—	—%
> 50%	—	—	—%	132	(41)	—%
Total	\$ 2,798,420	\$ (89,857)	100%	\$ 6,474,704	\$ (297,044)	100%

The decrease in gross unrealized losses on investment grade fixed maturities primarily 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:

Severity of Unrealized Loss	December 31, 2025			December 31, 2024		
	Fair value	Gross unrealized losses	% of total gross unrealized losses	Fair value	Gross unrealized losses	% of total gross unrealized losses
0-10%	\$ 263,445	\$ (4,087)	46%	\$ 643,929	\$ (11,655)	82%
10-20%	13,103	(1,773)	20%	12,210	(1,601)	11%
20-30%	3,927	(761)	9%	1,387	(354)	2%
30-40%	297	(102)	1%	1,557	(602)	4%
40-50%	1,053	(478)	5%	289	(75)	1%
> 50%	1,165	(1,680)	19%	4	(4)	—%
Total	\$ 282,990	\$ (8,881)	100%	\$ 659,376	\$ (14,291)	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, 2025, net unrealized gains on equity securities were \$126 million (2024: \$59 million). The increase was driven by the rally in global equity markets.

Mortgage Loans

During 2025, investment in commercial mortgage loans decreased to \$357 million from \$506 million, a decrease of \$149 million, mainly due to the repayment of loans. The commercial mortgage loans are 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, 2025, the allowance for expected credit loss of \$30 million (2024: \$23 million) was primarily related to commercial properties exposed to the office sector.

Other Investments

Details of our other investments portfolio are as follows:

	December 31, 2025		December 31, 2024	
Multi-strategy funds	\$ 11,577	1%	\$ 24,919	3%
Direct lending funds	186,747	18%	171,048	18%
Private equity funds	364,376	36%	320,690	35%
Real estate funds	291,491	28%	291,640	31%
Total multi-strategy, direct lending, private equity and real estate funds	854,191	83%	808,297	87%
Other privately held investments	173,607	17%	121,981	13%
Total other investments	\$ 1,027,798	100%	\$ 930,278	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., Monarch Point Re (ISA 2023) Ltd., Monarch Point Re (ISA 2024) Ltd., and Monarch Point Re (ISA 2025) Ltd. (collectively "Monarch Point Re") are reported in interest in income (loss) of equity method investments. Refer to Note 5(f) to the Consolidated Financial Statements *'Investments'*.

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 2025, AXIS Capital received \$1.0 billion (2024: \$459 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, that was \$1.2 billion at December 31, 2025 (2024: \$1.4 billion), 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⁾	2025	2024	2023
Operating activities	\$ (40,932)	\$ 1,844,813	\$ 1,255,559
Investing activities	(628,725)	280,452	(855,610)
Financing activities	(1,087,258)	(417,294)	(202,371)
Effect of exchange rate changes on cash	14,479	(28,335)	11,754
Increase (decrease) in cash and cash equivalents	\$ (1,742,436)	\$ 1,679,636	\$ 209,332

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

Operating activities

- Net cash used in operating activities was \$41 million in 2025 compared to net cash provided by operating activities of \$1,845 million in 2024. 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 outflows increased in 2025 compared to 2024, primarily attributable to increases in payments of premiums to reinsurers including payment for the LPT agreement with Enstar completed April 24, 2025 and payments of losses and loss expenses, partially offset by increases in premiums received and reinsurance recoverables received.

Investing activities

- Investing cash outflows in 2025 were principally related to the net purchases of fixed maturities of \$710 million, loan advances made to Monarch Point Re reinsurers of \$139 million, net purchases of other assets of \$51 million, equity securities of \$32 million, other investments of \$30 million, and equity method investments of \$11 million, partially offset by net proceeds from the sale and redemption of short-term investments of \$206 million and the repayment of mortgage loans of \$138 million.
- Investing cash inflows in 2024 were principally related to the net proceeds from the sale and redemption of fixed maturities of \$281 million, unsettled payable for reverse repurchase agreements included in cash and cash equivalents of \$247 million, net proceeds from the sales of other investments of \$66 million, and equity securities of \$40 million, and the net proceeds from the sales and repayment of mortgage loans of \$81 million, partially offset by net purchases of short-term investments of \$204 million and loan advances made to Monarch Point Re of \$199 million.

Financing activities

- Financing cash outflows in 2025 were principally due to the repurchase of common shares of \$914 million and dividends paid to common and preferred shareholders of \$173 million.
- Financing cash outflows in 2024 were principally due to the repurchase of common shares of \$216 million dividends paid to common and preferred shareholders of \$182 million, and the repayment of the Federal Home Loan Bank advances of \$19 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 2025 which was impacted by payment for the LPT agreement with Enstar completed April 24, 2025. These positive cash flows were generated notwithstanding the impacts of the global financial crisis and 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 \$159 million in 2025, \$226 million in 2024 and \$138 million in 2023. 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, 2026, our largest 1-in-100 year return period, single occurrence, single-zone modeled probable maximum loss (Southeast U.S. Hurricane) was approximately \$225 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, cash and invested assets of approximately \$14.4 billion at December 31, 2025 (2024 \$15.2 billion) could be available in one to three business days under normal market conditions. Of this amount, \$7.3 billion (2024 \$6.9 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 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,	2025	2024
Debt	\$ 1,316,710	\$ 1,315,179
Preferred shares	550,000	550,000
Common equity	5,806,435	5,539,379
Shareholders' equity	6,356,435	6,089,379
Total capital	\$ 7,673,145	\$ 7,404,558
Ratio of debt to total capital	17.2%	17.8%

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.

We believe that our financial flexibility remains strong. Adjustments are made if developments occur 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).

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, 2025, the companies had admitted assets of approximately \$3.6 billion (2024: \$3.2 billion) which provides borrowing capacity of up to approximately \$888 million (2024: \$798 million) (refer to Item 8, Note 11 to the Consolidated Financial Statements '*Federal Home Loan Bank Advances*').

At December 31, 2025, the Company had borrowings under the FHLB program of \$66 million (2024: \$66 million).

The FHLB advances have maturities in 2026 and interest payable at interest rates between 3.9% and 4.6% (2024: 4.5% and 5.5%). For the year ended December 31, 2025, the Company incurred interest expense of \$3 million (2024: \$4 million). The borrowings under the FHLB program are secured by cash and investments with a fair value of \$74 million (2024: \$72 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 could 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.

At December 31, 2025, certain of AXIS Capital's operating subsidiaries had a committed letter of credit facility up to a maximum aggregate amount of \$300 million and an uncommitted secured letter of credit facility up to a maximum aggregate amount of \$200 million available from Citibank Europe plc ("Citibank"). At December 31, 2025, letters of credit outstanding were \$226 million (2024: \$235 million).

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

At December 31, 2025, AXIS Corporate Capital UK II Limited, acting through AXIS Managing Agency Limited, as managing agent of AXIS Syndicate 1686 and AXIS Syndicate 2050 (collectively, the "Syndicates") had an uncommitted unsecured letter of credit facility up to a maximum aggregate amount of \$90 million available from Citibank. At December 31, 2025, letters of credit outstanding were \$80 million.

This letter of credit facility is intended to support obligations in connection with the Syndicates' participation in the Lloyd's insurance market, specifically its Funds at Lloyd's requirements (refer to Item 8, Note 10 to the Consolidated Financial Statements '*Debt and Financing Arrangements*' for further details).

At December 31, 2025, AXIS Specialty Limited had an uncommitted bilateral short-term line of credit facility up to a maximum aggregate amount of \$150 million available from Wells Fargo Bank National Association. At December 31, 2025, the \$150 million Facility was not drawn. The line of credit facility is intended to support the Borrower's working capital requirements and general corporate expenses (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, 2025, common equity increased by \$267 million. The following table reconciles opening and closing common equity positions:

Year ended December 31,	2025	2024
Common equity - opening	\$ 5,539,379	\$ 4,713,196
Share-based compensation expense	43,184	40,487
Change in unrealized gains on available for sale investments, net of tax	281,607	122,042
Foreign currency translation adjustment	14,381	(23,763)
Net income	1,008,898	1,081,786
Preferred share dividends	(30,250)	(30,250)
Common share dividends	(138,518)	(150,495)
Treasury shares repurchased	(914,276)	(215,868)
Treasury shares reissued	2,030	2,244
Common equity - closing	\$ 5,806,435	\$ 5,539,379

Share Repurchases

During 2025, we repurchased 10 million common shares for a total of \$914 million, including \$888 million repurchased pursuant to our Board-authorized share repurchase programs, and \$27 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.

At June 30, 2024, authorization under our share repurchase program approved in December 2023 was exhausted.

On May 16, 2024, our Board of Directors approved a new share repurchase program for up to \$300 million of the Company's common shares. The new share repurchase program was open-ended, allowing the Company to repurchase its shares from time to time in the open market or privately negotiated transactions, depending on market conditions. On February 6, 2025, authorization under this plan was exhausted.

On February 19, 2025, our Board of Directors approved a new share repurchase program for up to \$400 million of the Company's common shares. The new share repurchase program was open-ended, allowing the Company to repurchase its shares from time to time in the open market or privately negotiated transactions, depending on market conditions. On September 3, 2025, authorization under this plan was exhausted.

On September 17, 2025, our Board of Directors approved a new share repurchase program for up to \$400 million of the Company's common shares. The new share repurchase program is open-ended, allowing the Company to repurchase its shares from time to time in the open market or privately negotiated transactions, depending on market conditions. At December 31, 2025, we had \$112 million of remaining authorization under our open-ended Board-authorized share repurchase program for common share repurchases.

Refer to Item 5 'Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities' and Item 8, Note 15 to the Consolidated Financial Statements 'Shareholders' Equity' for further details.

Shelf Registrations

On November 4, 2025, 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)	"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)	"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)	"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.

Non-operating holding companies

On January 29, 2024, Standard and Poor's affirmed the Issuer 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 (Stable).

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, 2025, contractual obligations and commitments by period due were:

Contractual obligations and commitments	Payment due by period				
	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⁾	\$ 18,122,256	\$ 5,140,504	\$ 6,168,334	\$ 3,218,486	\$ 3,594,932
Operating lease obligations ⁽²⁾	136,320	16,937	30,719	29,950	58,714
Investing activities					
Unfunded investment commitments ⁽³⁾	1,089,367	278,196	282,558	218,414	310,199
Financing activities					
Debt (principal payments) ⁽⁴⁾	1,325,000	—	350,000	300,000	675,000
Debt (interest payments) ⁽⁴⁾⁽⁵⁾	408,714	61,002	106,811	54,918	185,983
Total	\$ 21,081,657	\$ 5,496,639	\$ 6,938,422	\$ 3,821,768	\$ 4,824,828

- (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 that expire at various dates. Operating lease obligations further includes \$26 million of unamortized discount expenses (refer to Item 8, Note 13 to the Consolidated Financial Statements 'Leases' for further details).
- (3) We have \$683 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' and Note 12(e) to the Consolidated Financial Statements 'Commitment and Contingencies' for further details). In addition, we have \$3 million of unfunded commitments related to our commercial mortgage loans portfolio and \$403 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) further includes \$8 million of unamortized discount and debt issuance expenses (refer to Item 8, Note 10(a) to the Consolidated Financial Statements 'Debt and Financing Arrangements' for further details).

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 Reserve Class

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

At December 31,	2025			2024		
	Case reserves	IBNR	Total	Case reserves	IBNR	Total
Insurance segment:						
Property	\$ 628,961	\$ 888,753	\$ 1,517,714	\$ 571,477	\$ 732,266	\$ 1,303,743
Casualty	1,840,499	6,117,060	7,957,559	1,531,924	6,127,417	7,659,341
Specialty other	566,990	1,114,259	1,681,249	543,963	992,656	1,536,619
Total Insurance	3,036,450	8,120,072	11,156,522	2,647,364	7,852,339	10,499,703
Reinsurance segment:						
Casualty	2,129,777	3,085,382	5,215,159	2,040,947	2,918,011	4,958,958
Specialty	326,296	824,243	1,150,539	328,094	714,320	1,042,414
Run-off	304,629	295,407	600,036	417,498	300,356	717,854
Total Reinsurance	2,760,702	4,205,032	6,965,734	2,786,539	3,932,687	6,719,226
Total	\$ 5,797,152	\$ 12,325,104	\$ 18,122,256	\$ 5,433,903	\$ 11,785,026	\$ 17,218,929

In order to capture the key dynamics of loss reserve development and potential volatility, reserve classes 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. For short-tail business, 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, 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 discussion of prior year reserve development by segment, reserve class and accident year.

Reserving for Credit and Political Risk Business

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 of prior year reserve development for the insurance specialty other and reinsurance specialty reserve classes which include insurance and reinsurance credit and political risk lines of business.

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 2025 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 engage 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, 2025 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, 2025 was as follows:

INSURANCE			
Loss development pattern	Expected loss ratio		
	Higher Loss Reserves (Lower Loss Reserves)		
Property	5% lower	Unchanged	5% higher
3 months shorter	\$ (122,477)	\$ (70,443)	\$ (17,383)
Unchanged	(54,360)	—	48,945
3 months longer	41,430	99,402	147,125
Casualty	10% lower	Unchanged	10% higher
3 months shorter	\$ (898,647)	\$ (315,997)	\$ 224,599
Unchanged	(600,107)	—	590,283
3 months longer	(202,845)	380,597	1,003,380
Specialty other	5%-10% lower	Unchanged	5%-10% higher
3 months shorter	\$ (137,987)	\$ (80,919)	\$ (21,262)
Unchanged	(60,063)	—	61,051
3 months longer	29,783	92,799	157,056

REINSURANCE			
Loss development pattern	Expected loss ratio		
	Higher Loss Reserves (Lower Loss Reserves)		
Casualty	10% lower	Unchanged	10% higher
3 months shorter	\$ (521,338)	\$ (224,696)	\$ 74,027
Unchanged	(307,601)	—	312,528
3 months longer	(53,072)	260,925	588,309
Specialty	5%-10% lower	Unchanged	5%-10% higher
3 months shorter	\$ (130,820)	\$ (57,777)	\$ 15,461
Unchanged	(75,290)	—	74,237
3 months longer	(4,235)	72,667	150,998
Run-off	5% lower	Unchanged	5% higher
3 months shorter	\$ (23,147)	\$ (4,315)	\$ 14,516
Unchanged	(18,832)	—	18,832
3 months longer	(16,466)	2,367	21,200

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 \$70 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 and paid losses and loss expenses to the extent that any of our reinsurers are unable or unwilling to pay claims.

Reinsurance recoverables on unpaid losses and loss expenses ("reinsurance recoverables") for each of the reportable segments, segregated between case reserves and IBNR, by reserve class are shown below:

At December 31,	2025			2024		
	Case reserves	IBNR	Total	Case reserves	IBNR	Total
Insurance segment:						
Property	\$ 203,976	\$ 322,431	\$ 526,407	\$ 206,654	\$ 269,708	\$ 476,362
Casualty	1,022,883	2,895,540	3,918,423	851,597	3,075,267	3,926,864
Specialty other	157,049	281,751	438,800	134,308	258,621	392,929
Total Insurance	1,383,908	3,499,722	4,883,630	1,192,559	3,603,596	4,796,155
Reinsurance segment:						
Casualty	1,470,825	1,826,463	3,297,288	484,220	1,122,586	1,606,806
Specialty	171,994	230,580	402,574	75,482	155,906	231,388
Run-off	188,393	179,878	368,271	112,288	94,260	206,548
Total Reinsurance	1,831,212	2,236,921	4,068,133	671,990	1,372,752	2,044,742
Total	\$ 3,215,120	\$ 5,736,643	\$ 8,951,763	\$ 1,864,549	\$ 4,976,348	\$ 6,840,897

At December 31, 2025, reinsurance recoverables as a percentage of loss reserves was 49% (2024: 40%).

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.

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, 2025, the allowance for expected credit losses was \$40 million (2024: \$43 million). We have not written off any significant reinsurance recoverable balances in the last three years.

At December 31, 2025, 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.

At December 31, 2025, the three largest balances by reinsurer accounted for 20%, 8% and 4% (2024: 12%, 7% and 5%) of reinsurance recoverable on unpaid and paid losses and loss expenses.

At December 31, 2025, amounts recoverable from reinsurers included 31% that is fully collateralized, 65% that is recoverable from reinsurers rated A- or higher by A.M. Best and 4% that is recoverable from reinsurers rated lower than A- by A.M. Best (2024: 17%, 81% and 2%, respectively).

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.

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 94% of the segment's gross premiums written for the years ended December 31, 2025 and 2024. 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 or quarterly 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 6% of the segment's gross premiums written for the years ended December 31, 2025 and 2024.

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, 2025, the average duration of unearned premiums for credit and political risk line of business was 5.5 years (2024: 5.6 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 35% and 40% of the reinsurance segment's gross premiums written for the years ended December 31, 2025 and 2024, respectively.

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 also be 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 65% and 60% of the reinsurance segment's gross premiums written for the years ended December 31, 2025 and 2024, respectively.

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

Year ended December 31,	2025	2024	2023
Liability	\$ 426,345	\$ 365,854	\$ 356,022
Professional lines	371,089	343,208	280,381
Motor	101,232	40,848	68,136
Accident and health	243,550	310,907	298,577
Credit and surety	263,395	205,393	169,297
Agriculture	154,367	140,714	99,806
Marine and aviation	28,236	30,916	19,839
<i>Run-off lines</i>			
Catastrophe	—	—	1,343
Property	293	297	3,000
Engineering	—	—	—
<i>Total run-off lines</i>	293	297	4,343
Total estimated premiums	\$ 1,588,507	\$ 1,438,137	\$ 1,296,401
Gross premiums written (reinsurance segment)	\$ 2,465,308	\$ 2,390,304	\$ 2,215,761
As a % of total gross premiums written	64 %	60 %	59 %

Historical experience has shown that cumulative adjustments to initial premium estimates for proportional reinsurance contracts have ranged from (3%) to 10% over the last 5 years.

We believe that a reasonably likely change to 2025 initial premium estimates for proportional reinsurance contracts would be 2% in either direction. A change in initial premium estimates of this magnitude would result in a change in gross premiums written of approximately \$32 million. A change in initial premium estimates of this magnitude would not have a material impact on pre-tax net income. Larger variations, positive or negative, are possible.

Net Premiums Earned

Premiums are earned 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, 2025, the fair values of 95% (2024: 94%) 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, 2025 and 2024, 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, 2025, the estimated fair value of our investments in these funds was \$854 million (2024: \$808 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, convertible notes, convertible preferred shares, investments in limited partnerships (refer to "private company investment funds" below), 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, 2025, the estimated fair value of these investments was \$124 million (2024: \$92 million). Refer to Item 8, Note 6 to the Consolidated Financial Statements '*Fair Value Measurements*' for further details.

Other privately held investments 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, 2025, the estimated fair value of our investments in these funds was \$50 million (2024: \$30 million). 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 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, 2025, we recorded an allowance for expected credit losses of \$2 million (2024: \$4 million) and for the year ended December 31, 2025, we recorded impairment losses of \$2 million (2024: \$nil) (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, 2025, 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, 2025, 97% (2024: 96%) 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, 2025 and 2024, we also invested in alternative investments including multi-strategy funds, direct lending funds, private equity funds, real estate funds 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, 2025 and 2024.

Our policies to address these risks in 2025 were not materially different from 2024. 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:

	Fair value	Potential adverse change in fair value		
		Increase in interest rate by 100 basis points	Widening of credit spreads by 100 basis points	Total
At December 31, 2025				
U.S. government and agency	\$ 2,417,901	\$ (64,341)	\$ —	\$ (64,341)
Non-U.S. government	810,544	(25,922)	—	(25,922)
Agency RMBS	2,035,352	(105,934)	—	(105,934)
<i>Securities exposed to credit spreads:</i>				
Corporate debt	5,222,433	(164,934)	(180,586)	(345,520)
CMBS	801,511	(22,024)	(26,484)	(48,508)
Non-agency RMBS	190,124	(6,723)	(6,660)	(13,383)
ABS	1,488,067	(18,842)	(41,886)	(60,728)
Municipals	52,095	(1,934)	(1,971)	(3,905)
	<u>\$ 13,018,027</u>	<u>\$ (410,654)</u>	<u>\$ (257,587)</u>	<u>\$ (668,241)</u>
At December 31, 2024				
U.S. government and agency	\$ 2,802,986	\$ (60,634)	\$ —	\$ (60,634)
Non-U.S. government	729,939	(22,143)	—	(22,143)
Agency RMBS	1,184,845	(61,576)	—	(61,576)
<i>Securities exposed to credit spreads:</i>				
Corporate debt	4,842,190	(154,058)	(166,011)	(320,069)
CMBS	819,608	(21,745)	(24,749)	(46,494)
Non-agency RMBS	122,536	(5,287)	(5,090)	(10,377)
ABS	1,539,832	(17,343)	(35,727)	(53,070)
Municipals	110,817	(3,675)	(3,751)	(7,426)
	<u>\$ 12,152,753</u>	<u>\$ (346,461)</u>	<u>\$ (235,328)</u>	<u>\$ (581,789)</u>

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 duration of the underlying securities.

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, 2025, the fair value of equity securities, excluding the bond mutual funds was \$436 million (2024: \$323 million). At December 31, 2025, the impact of a 20% decline in the overall market prices of our equity exposures would be \$87 million (2024: \$65 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, 2025, the fair value of multi-strategy funds was \$12 million (2024: \$25 million). At December 31, 2025, the impact of an instantaneous 15% decline in the fair value of our investment in multi-strategy funds would be \$2 million (2024: \$4 million), on a pre-tax basis.

Foreign Currency Risk

The following table presents a sensitivity analysis of total net foreign currency exposures on total shareholders' equity:

	AUD	CAD	EUR	GBP	JPY	Other	Total
At December 31, 2025							
Net managed assets (liabilities), excluding derivatives	\$ 135,286	\$ 413,949	\$ 9,895	\$ 56,488	\$ (15,568)	\$ 131,181	\$ 731,231
Foreign currency derivatives, net	(101,675)	(406,676)	55,158	(52,193)	9,947	(157,982)	(653,421)
Net managed foreign currency exposure	33,611	7,273	65,053	4,295	(5,621)	(26,801)	77,810
Other net foreign currency exposure	—	263	116	147	—	1	527
Total net foreign currency exposure	\$ 33,611	\$ 7,536	\$ 65,169	\$ 4,442	\$ (5,621)	\$ (26,800)	\$ 78,337
Net foreign currency exposure as a percentage of total shareholders' equity	0.5%	0.1%	1.0%	0.1%	(0.1%)	(0.4%)	1.2%
Pre-tax impact of net foreign currency exposure on shareholders' equity given a hypothetical 10% rate movement ⁽¹⁾	\$ 3,361	\$ 754	\$ 6,517	\$ 444	\$ (562)	\$ (2,680)	\$ 7,834
At December 31, 2024							
Net managed assets (liabilities), excluding derivatives	\$ 87,511	\$ 366,541	\$(344,739)	\$ 15,836	\$ (38,893)	\$ 88,887	\$ 175,143
Foreign currency derivatives, net	(69,834)	(356,150)	290,800	36,430	35,648	(112,409)	(175,515)
Net managed foreign currency exposure	17,677	10,391	(53,939)	52,266	(3,245)	(23,522)	(372)
Other net foreign currency exposure	—	55	(607)	19	—	1	(532)
Total net foreign currency exposure	\$ 17,677	\$ 10,446	\$ (54,546)	\$ 52,285	\$ (3,245)	\$ (23,521)	\$ (904)
Net foreign currency exposure as a percentage of total shareholders' equity	0.3%	0.2%	(0.9%)	0.9%	(0.1%)	(0.4%)	—%
Pre-tax impact of net foreign currency exposure on shareholders' equity given a hypothetical 10% rate movement ⁽¹⁾	\$ 1,768	\$ 1,045	\$ (5,455)	\$ 5,229	\$ (325)	\$ (2,352)	\$ (90)

(1) Assumes 10% appreciation in underlying currencies relative to the U.S. dollar.

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 functional currency of the Company and the majority of its subsidiaries is the U.S. dollar. Monetary assets and liabilities under insurance and reinsurance contracts denominated in foreign currency are remeasured to the functional currency at the rates of exchange in effect at the balance sheet date with the resulting foreign exchange losses (gains) recognized in net income (loss). Foreign currency losses (gains) related to available for sale investment securities denominated in foreign currency represents an unrealized appreciation (depreciation) in the market value of the securities and are recognized in accumulated other comprehensive income (loss) ("AOCI") in total shareholders' equity. The recognition treatment of foreign losses (gains) related to our net insurance liabilities and investments can create volatility in net income (loss) that is largely offset by foreign losses (gains) included in AOCI in total shareholders' equity.

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 2025 and 2024, 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.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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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, 2025 and 2024, 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, 2025, 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, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, 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, 2025, 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, 2026, 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, 2026

We have served as the Company's auditor since 2001.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

	2025	2024
	(in thousands)	
Assets		
Investments:		
Fixed maturities, available for sale, at fair value (Amortized cost 2025: \$12,937,728; 2024: \$12,419,905 Allowance for expected credit losses 2025: \$1,836; 2024: \$3,938)	\$ 13,018,027	\$ 12,152,753
Fixed maturities, held to maturity, at amortized cost (Fair value 2025: \$395,942; 2024: \$436,751 Allowance for expected credit losses 2025: \$nil; 2024: \$nil)	397,430	443,400
Equity securities, at fair value (Cost 2025: \$581,275; 2024: \$520,743)	707,569	579,274
Mortgage loans, held for investment, at fair value (Allowance for expected credit losses 2025: \$29,742; 2024: \$23,378)	356,840	505,697
Other investments, at fair value	1,027,798	930,278
Equity method investments	227,181	206,994
Short-term investments, at fair value	20,298	223,666
Total investments	15,755,143	15,042,062
Cash and cash equivalents	820,252	2,143,471
Restricted cash and cash equivalents	500,933	920,150
Accrued interest receivable	116,252	114,012
Insurance and reinsurance premium balances receivable (Allowance for expected credit losses 2025: \$15,821; 2024: \$17,339)	3,244,661	2,826,942
Reinsurance recoverable on unpaid losses and loss expenses (Allowance for expected credit losses 2025: \$40,340; 2024: \$43,445)	8,951,763	6,840,897
Reinsurance recoverable on paid losses and loss expenses	673,765	546,287
Deferred acquisition costs	801,778	685,853
Prepaid reinsurance premiums	2,139,294	1,936,979
Receivable for investments sold	12,806	3,693
Goodwill	66,498	66,498
Intangible assets	166,050	175,967
Operating lease right-of-use assets	93,900	92,516
Loan advances made	231,542	247,775
Other assets	887,289	1,038,207
Total assets	\$ 34,461,926	\$ 32,681,309
Liabilities		
Reserve for losses and loss expenses	\$ 18,122,256	\$ 17,218,929
Unearned premiums	5,825,698	5,211,865
Insurance and reinsurance balances payable	1,882,021	1,713,798
Debt	1,316,710	1,315,179
Federal Home Loan Bank advances	66,380	66,380
Payable for investments purchased	36,982	269,728
Operating lease liabilities	110,095	106,614
Other liabilities	745,349	689,437
Total liabilities	28,105,491	26,591,930
Commitments and Contingencies		
Shareholders' equity		
Preferred shares	550,000	550,000
Common shares (shares issued 2025: 176,580; 2024: 176,580 shares outstanding 2025: 74,135; 2024: 82,984)	2,206	2,206
Additional paid-in capital	2,405,792	2,394,063
Accumulated other comprehensive income (loss)	28,431	(267,557)
Retained earnings	8,181,699	7,341,569
Treasury shares, at cost (2025: 102,445; 2024: 93,596)	(4,811,693)	(3,930,902)
Total shareholders' equity	6,356,435	6,089,379
Total liabilities and shareholders' equity	\$ 34,461,926	\$ 32,681,309

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024, AND 2023

	2025	2024	2023
	(in thousands, except for per share amounts)		
Revenues			
Net premiums earned	\$ 5,714,609	\$ 5,306,235	\$ 5,083,781
Net investment income	766,903	759,229	611,742
Other insurance related income	23,216	30,721	22,495
Net investment gains (losses):			
Increase in allowance for expected credit losses	(4,261)	(10,338)	(5,246)
Impairment losses	(2,268)	(408)	(12,757)
Other realized and unrealized investment gains (losses)	65,479	(127,788)	(56,627)
Total net investment gains (losses)	58,950	(138,534)	(74,630)
Total revenues	6,563,678	5,957,651	5,643,388
Expenses			
Net losses and loss expenses	3,288,541	3,158,487	3,393,102
Acquisition costs	1,136,469	1,070,551	1,000,945
General and administrative expenses	703,931	666,202	684,446
Foreign exchange losses (gains)	141,983	(50,822)	58,115
Interest expense and financing costs	66,659	67,766	68,421
Reorganization expenses	—	26,312	28,997
Amortization of intangible assets	9,917	10,917	10,917
Total expenses	5,347,500	4,949,413	5,244,943
Income before income taxes and interest in income of equity method investments	1,216,178	1,008,238	398,445
Income tax (expense) benefit	(216,732)	55,595	(26,316)
Interest in income of equity method investments	9,452	17,953	4,163
Net income	1,008,898	1,081,786	376,292
Preferred share dividends	30,250	30,250	30,250
Net income available to common shareholders	\$ 978,648	\$ 1,051,536	\$ 346,042
Per share data			
Earnings per common share:			
Earnings per common share	\$ 12.52	\$ 12.49	\$ 4.06
Earnings per diluted common share	\$ 12.35	\$ 12.35	\$ 4.02
Weighted average common shares outstanding	78,192	84,165	85,142
Weighted average diluted common shares outstanding	79,266	85,176	86,012

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024, AND 2023

	2025	2024	2023
	(in thousands)		
Net income	\$ 1,008,898	\$ 1,081,786	\$ 376,292
Other comprehensive income, 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	252,011	(33,030)	257,940
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has been recognized	(420)	(248)	9,583
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income	30,016	155,320	128,513
Unrealized gains (losses) arising during the year, net of reclassification adjustment	281,607	122,042	396,036
Foreign currency translation adjustment	14,381	(23,763)	(1,572)
Total other comprehensive income, net of tax	295,988	98,279	394,464
Comprehensive income	\$ 1,304,886	\$ 1,180,065	\$ 770,756

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024, AND 2023

	2025	2024	2023
	(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	2,394,063	2,383,030	2,366,253
Treasury shares reissued	(31,455)	(29,454)	(40,430)
Share-based compensation expense	43,184	40,487	57,207
Balance at end of year	2,405,792	2,394,063	2,383,030
Accumulated other comprehensive income (loss)			
Balance at beginning of year	(267,557)	(365,836)	(760,300)
Unrealized gains (losses) on available for sale investments, net of tax:			
Balance at beginning of year	(225,617)	(347,659)	(743,695)
Unrealized gains (losses) arising during the year, net of reclassification adjustment	281,607	122,042	396,036
Balance at end of year	55,990	(225,617)	(347,659)
Cumulative foreign currency translation adjustments, net of tax:			
Balance at beginning of year	(41,940)	(18,177)	(16,605)
Foreign currency translation adjustment	14,381	(23,763)	(1,572)
Balance at end of year	(27,559)	(41,940)	(18,177)
Balance at end of year	28,431	(267,557)	(365,836)
Retained earnings			
Balance at beginning of year	7,341,569	6,440,528	6,247,022
Net income	1,008,898	1,081,786	376,292
Preferred share dividends ⁽¹⁾	(30,250)	(30,250)	(30,250)
Common share dividends ⁽¹⁾	(138,518)	(150,495)	(152,536)
Balance at end of year	8,181,699	7,341,569	6,440,528
Treasury shares, at cost			
Balance at beginning of year	(3,930,902)	(3,746,732)	(3,765,271)
Shares repurchased	(914,276)	(215,868)	(23,596)
Shares reissued	33,485	31,698	42,135
Balance at end of year	(4,811,693)	(3,930,902)	(3,746,732)
Total shareholders' equity	\$ 6,356,435	\$ 6,089,379	\$ 5,263,196

(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, 2025, 2024, AND 2023

	2025	2024	2023
	(in thousands)		
Cash flows from operating activities:			
Net income	\$ 1,008,898	\$ 1,081,786	\$ 376,292
Adjustments to reconcile net income to net cash provided by operating activities:			
Net investment (gains) losses ⁽¹⁾	(56,045)	144,175	74,630
Net realized and unrealized gains on other investments	(67,961)	(47,203)	(19,682)
Amortization of fixed maturities	(39,612)	(38,428)	(20,167)
Interest in income of equity method investments	(9,452)	(17,953)	(4,163)
Other amortization and depreciation	56,379	55,306	75,552
Share-based compensation expense, net of cash payments	45,214	42,731	54,120
<i>Changes in:</i>			
Accrued interest receivable	(2,298)	(8,441)	(11,777)
Reinsurance recoverable on unpaid losses and loss expenses	(2,120,523)	(543,442)	(493,831)
Reinsurance recoverable on paid losses and loss expenses	(190,804)	(3,764)	(60,860)
Deferred acquisition costs	(115,444)	(84,839)	11,780
Prepaid reinsurance premiums	(203,531)	(31,265)	(365,732)
Reserve for losses and loss expenses	906,298	841,727	1,272,999
Unearned premiums	614,481	482,867	388,747
Insurance and reinsurance balances, net	(16,349)	94,122	49,132
Other items	149,817	(122,566)	(71,481)
Net cash provided by (used in) operating activities	(40,932)	1,844,813	1,255,559
Cash flows from investing activities:			
Purchases of:			
Fixed maturities, available for sale	(9,183,843)	(10,530,382)	(6,348,753)
Fixed maturities, held to maturity	(125,203)	(105,755)	(37,499)
Equity securities	(130,880)	(114,519)	(89,502)
Mortgage loans	(15,437)	(17,655)	(24,867)
Other investments	(170,182)	(69,596)	(91,010)
Equity method investments	(10,735)	(14,407)	(22,183)
Short-term investments	(244,688)	(331,267)	(247,499)
Unsettled payable for reverse repurchase agreements included in cash and cash equivalents	—	247,495	—
Proceeds from the sale of:			
Fixed maturities, available for sale	6,811,178	9,059,672	4,848,826
Equity securities	98,865	154,645	55,651
Other investments	140,623	135,975	158,348
Short-term investments	315,659	58,151	227,318
Proceeds from redemption of fixed maturities, available for sale	1,616,339	1,508,473	934,017
Proceeds from redemption of fixed maturities, held to maturity	171,219	348,812	49,609
Proceeds from redemption of short-term investments	134,973	69,010	76,545
Proceeds from the repayment of mortgage loans	153,341	98,241	36,375
Proceeds from the purchase of other assets, net	(51,282)	(17,396)	(31,144)
Loan advances made	(138,672)	(199,045)	(349,842)
Net cash provided by (used in) investing activities	(628,725)	280,452	(855,610)
Cash flows from financing activities:			
Repurchase of common shares	(887,717)	(199,944)	—
Taxes paid on withholding shares	(26,559)	(15,925)	(23,596)
Dividends paid - common shares	(142,732)	(151,765)	(153,775)
Dividends paid - preferred shares	(30,250)	(30,250)	(30,250)
Federal Home Loan Bank advances, net	—	(19,410)	5,250
Net cash used in financing activities	(1,087,258)	(417,294)	(202,371)
Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash	14,479	(28,335)	11,754
Increase (decrease) in cash, cash equivalents and restricted cash	(1,742,436)	1,679,636	209,332
Cash, cash equivalents and restricted cash - beginning of year	3,063,621	1,383,985	1,174,653
Cash, cash equivalents and restricted cash - end of year	\$ 1,321,185	\$ 3,063,621	\$ 1,383,985

(1) In 2025, net investment (gains) losses in the consolidated statements of cash flows excluded net realized gains on overseas deposits of \$3 million (2024: \$6 million) that are included in net investment (gains) losses in the consolidated statement of operations.

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024, AND 2023

Supplemental disclosures of cash flow information:	2025	2024	2023
Income taxes paid	\$ 126,843	\$ 80,557	\$ 77,479
Interest paid	\$ 62,554	\$ 64,180	\$ 63,596
Non-cash settlements with Third-Party Reinsurer			
Loan advances made	\$ 1,325	\$ 74,976	\$ 81,708
Reinsurance recoverable on unpaid losses and loss expenses	—	—	21,308
Interest receivable on loan advances made	—	—	3,562
Net cash inflows	\$ 1,325	\$ 74,976	\$ 106,578
Insurance and reinsurance balances payable, net	\$ (1,325)	\$ (74,976)	\$ (106,578)
Net cash outflows	\$ (1,325)	\$ (74,976)	\$ (106,578)

Refer to Note 5 *'Investments'* for details of non-cash settlements with Monarch Point Re (Monarch Point Re (ISA 2023) Ltd., Monarch Point Re (ISA 2024) Ltd., Monarch Point Re (ISA 2025) Ltd., individually, collectively, or together with Monarch Point Re (ISAC) Ltd "Monarch Point Re").

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024, AND 2023

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 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 on January 1, 2024, and will close this branch, subject to meeting all regulatory and legal requirements. AXIS Specialty Insurance Limited ("AXIS Specialty Insurance Bermuda"), a Bermuda domiciled company, incorporated on August 19, 2024, was licensed on December 17, 2024 to provide specialty lines insurance and reinsurance products on a worldwide basis.
- 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 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 EU. AXIS Specialty Europe also conducts insurance business through its branch in the United Kingdom ("U.K."), AXIS Specialty Europe SE (UK Branch).

Effective October 28, 2022, AXIS Specialty Europe SE (UK Branch) is fully regulated by the Prudential Regulation Authority and the U.K. Financial Conduct Authority as a third-country branch.

- AXIS Re SE is a European public limited liability company, incorporated as a reinsurer under the laws of Ireland. AXIS Re SE is a Societas Europaea (SE), or European society company registered in accordance with company law of the EU. 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, that provided 70% and 30% capital support, respectively, to AXIS Syndicate 1686 ("Syndicate 1686") through December 31, 2024. AXIS Corporate Capital UK II Limited provided 100% capital support to Syndicate 1686 for underwriting activities effective January 1, 2025. Syndicate 1686 is managed by AXIS Managing Agency Ltd. ("AXIS Managing Agency").
- AXIS Energy Transition Syndicate 2050 ("Syndicate 2050") commenced underwriting on April 1, 2024. AXIS Corporate Capital UK II Limited is the sole corporate member of Syndicate 2050. Syndicate 2050 is managed by AXIS Managing Agency.
- AXIS Reinsurance Managers Limited ("AXIS Reinsurance Managers") is regulated by the BMA as an insurance manager and generates fee income from services provided to strategic capital partners.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024, AND 2023

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, 2025, the Company presented loss funds and funds withheld balances in other assets and excess ceding commissions in other liabilities in the consolidated balance sheet. These amounts were previously included in insurance and reinsurance premium balances receivable and deferred acquisition costs, respectively in the consolidated balance sheets. These reclassifications 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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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 (loss).

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 consolidated statements of operations in the period in which they are deemed uncollectible.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024, AND 2023

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 tranching 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 included 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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024, AND 2023

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 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').

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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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. Acquisition costs are shown net of ceding commissions receivable on reinsurance purchased limited to an amount that represents recovery of initial acquisition costs. Ceding commissions receivable in excess of the recovery of initial acquisition costs are recognized in other liabilities in the consolidated balance sheets. Net acquisition costs and any excess ceding commissions are deferred and charged to net income (loss) as the related premium is earned.

In addition, certain of the Company's contracts include profit commission provisions or other adjustable features that are estimated based on expected losses and loss expenses for those contracts.

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 reserve class. 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

AXIS CAPITAL HOLDINGS LIMITED
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2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 (loss) 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 (loss) 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 in total shareholders' equity. 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 service awards and share-settled performance awards.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Stock Units - Share-Settled

The fair value of share-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 Company recognizes forfeitures when they occur.

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 closing price 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 life 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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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) New Accounting Standards Adopted in 2025

Improvements to Income Tax Disclosures

Effective October 1, 2025 the Company adopted Accounting Standards Update ("ASU" or "Update") ASU 2023-09 "Income Taxes (Topic 740) - *Improvements to Income Tax Disclosures*" which aims to provide more transparency and comparability of income taxes disclosures by jurisdiction.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The amendments applicable to the Company primarily relate to the effective tax rate reconciliation and the requirement to provide a more detailed reconciliation of income tax expense by comparing reported income tax expense to the amount calculated using the statutory tax rate of the entity's country of domicile. The amendments also introduce enhanced disaggregation requirements including separate disclosure of specified categories that meet a quantitative threshold.

In addition, the amendments required the Company to disclose income taxes paid (net of refunds received) disaggregated between federal and state taxes in the Company's country of domicile and foreign income taxes paid disaggregated by individual jurisdictions when the amount paid (net of refunds received) in a jurisdiction is equal to or greater than 5 percent of total income taxes paid (net of refunds received) (refer to Note 20 'Income Taxes').

The adoption of this guidance did not impact the Company's results of operations, financial condition, or liquidity.

n) Recently Issued Accounting Standards Not Yet Adopted

Disaggregation of Income Statement Expenses

On November 4, 2024, the FASB issued ASU 2024-03 "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40) *Disaggregation of Income Statement Expense*" which requires disaggregated disclosure of income statement expenses for public business entities. The ASU does not change the expense captions an entity presents on the face of the income statement; rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements.

The amendments require public business entities to disclose disaggregated information about specific natural expense categories underlying certain income statement expense line items that are considered "relevant" (referred to as "relevant expense captions") because they include one or more of the five natural expense categories. Such disclosures must be made on an annual and interim basis in a tabular format in the footnotes to the financial statements. The ASU requires entities to disaggregate any relevant expense caption presented on the face of the income statement within continuing operations into applicable natural expense categories including (1) employee compensation (2) depreciation and (3) intangible asset amortization.

The guidance is effective for fiscal years beginning after December 15, 2026 and for interim periods, effective within fiscal years beginning after December 15, 2027. As this Update relates solely to financial statement disclosures its adoption will not impact the Company's results of operations, financial condition, or liquidity.

Targeted Improvements to the Accounting for Internal-Use Software

In September 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU" or "Update") 2025-06 "Intangibles - Goodwill and Other - Internal-Use Software (Topic 350-40) - *Targeted Improvements to the Accounting for Internal-Use Software*".

The amendments in this Update remove all references to prescriptive and sequential software development stages (referred to as "project stages") throughout Subtopic 350-40. An entity will be required to start capitalizing software costs when (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended (referred to as the "probable-to-complete recognition threshold") have occurred.

This guidance is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. Early adoption is permitted at the beginning of an annual reporting period. The amendments in this Update can be applied on a prospective, modified or a retrospective transition approach. The Company does not expect the adoption of this guidance to have a material impact on its results of operations, financial condition, or liquidity.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024, AND 2023

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.

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 property, professional lines, liability, cyber, marine and aviation, accident and health, and credit and political risk.

Reinsurance

The Company's reinsurance segment provides reinsurance to insurance companies on a worldwide basis. The product lines in this segment are liability, professional lines, motor, accident and health, credit and surety, 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 Company has identified its President and Chief Executive Officer as its chief operating decision maker ("CODM"). The CODM evaluates performance and decides how to allocate resources based on underwriting income (loss) for each of the Company's reportable segments. During quarterly Results Review meetings, an analysis of each reportable segment's underwriting income (loss) compared to the same period in the prior year, and compared to plan, is provided by business leaders to the CODM to facilitate the evaluation of segment performance.

The Company does not allocate its assets by segment, with the exception of goodwill and intangible assets.

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:

AXIS CAPITAL HOLDINGS LIMITED
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3. SEGMENT INFORMATION (CONTINUED)

At and year ended December 31, 2025	Insurance	Reinsurance	Total
Gross premiums written	\$ 7,179,206	\$ 2,465,308	\$ 9,644,514
Net premiums written	4,627,224	1,494,432	6,121,656
Net premiums earned	4,291,485	1,423,124	5,714,609
Other insurance related income	677	22,539	23,216
Current accident year net losses and loss expenses	(2,404,202)	(971,302)	(3,375,504)
Net favorable prior year reserve development	66,975	19,988	86,963
Acquisition costs	(820,324)	(316,145)	(1,136,469)
Underwriting-related general and administrative expenses	(537,558)	(50,111)	(587,669)
Underwriting income	<u>\$ 597,053</u>	<u>\$ 128,093</u>	725,146
Net investment income			766,903
Net investment gains			58,950
Corporate expenses			(116,262)
Foreign exchange (losses) gains			(141,983)
Interest expense and financing costs			(66,659)
Reorganization expenses			—
Amortization of intangible assets			(9,917)
Income before income taxes and interest in income of equity method investments			1,216,178
Income tax expense			(216,732)
Interest in income of equity method investments			9,452
Net income			1,008,898
Preferred share dividends			30,250
Net income available to common shareholders			<u>\$ 978,648</u>
Current accident year loss ratio	56.0%	68.3%	59.1%
Prior year reserve development ratio	(1.5%)	(1.5%)	(1.6%)
Net losses and loss expenses ratio	54.5 %	66.8 %	57.5 %
Acquisition cost ratio	19.1 %	22.2 %	19.9 %
General and administrative expense ratio	12.5 %	3.6 %	12.4 %
Combined ratio	<u>86.1 %</u>	<u>92.6 %</u>	<u>89.8 %</u>
Goodwill and intangible assets	<u>\$ 232,548</u>	<u>\$ —</u>	<u>\$ 232,548</u>

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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3. SEGMENT INFORMATION (CONTINUED)

At and year ended December 31, 2024	Insurance	Reinsurance	Total
Gross premiums written	\$ 6,615,584	\$ 2,390,304	\$ 9,005,888
Net premiums written	4,250,545	1,506,806	5,757,351
Net premiums earned	3,926,036	1,380,199	5,306,235
Other insurance related income	94	30,627	30,721
Current accident year net losses and loss expenses	(2,261,629)	(921,181)	(3,182,810)
Net favorable prior year reserve development	16,209	8,114	24,323
Acquisition costs	(766,915)	(303,636)	(1,070,551)
Underwriting-related general and administrative expenses	(485,929)	(50,513)	(536,442)
Underwriting income	<u>\$ 427,866</u>	<u>\$ 143,610</u>	571,476
Net investment income			759,229
Net investment gains (losses)			(138,534)
Corporate expenses			(129,760)
Foreign exchange gains			50,822
Interest expense and financing costs			(67,766)
Reorganization expenses			(26,312)
Amortization of intangible assets			(10,917)
Income before income taxes and interest in income of equity method investments			1,008,238
Income tax benefit			55,595
Interest in income of equity method investments			17,953
Net income			1,081,786
Preferred share dividends			30,250
Net income available to common shareholders			<u>\$ 1,051,536</u>
Current accident year loss ratio	57.6%	66.7%	60.0%
Prior year reserve development ratio	(0.4%)	(0.5%)	(0.5%)
Net losses and loss expenses ratio	<u>57.2 %</u>	<u>66.2 %</u>	<u>59.5 %</u>
Acquisition cost ratio	19.5 %	22.0 %	20.2 %
General and administrative expense ratio	12.4 %	3.6 %	12.6 %
Combined ratio	<u>89.1 %</u>	<u>91.8 %</u>	<u>92.3 %</u>
Goodwill and intangible assets	<u>\$ 242,465</u>	<u>\$ —</u>	<u>\$ 242,465</u>

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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
Current accident year net losses and loss expenses	(1,903,648)	(1,077,572)	(2,981,220)
Net favorable (adverse) prior year reserve development	(176,353)	(235,529)	(411,882)
Acquisition costs	(648,463)	(352,482)	(1,000,945)
Underwriting-related general and administrative expenses	(472,094)	(79,373)	(551,467)
Underwriting income (loss)	<u>\$ 260,944</u>	<u>\$ (100,182)</u>	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 intangible assets			(10,917)
Income before income taxes and interest in income of equity method investments			398,445
Income tax (expense) benefit			(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			<u>\$ 346,042</u>
Current accident year loss ratio	55.0 %	66.4 %	58.6%
Prior year reserve development ratio	5.1%	14.6%	8.1%
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	<u>92.5 %</u>	<u>107.6 %</u>	<u>99.9 %</u>
Goodwill and intangible assets	<u>\$ 287,684</u>	<u>\$ —</u>	<u>\$ 287,684</u>

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024, AND 2023

3. SEGMENT INFORMATION (CONTINUED)

The following table presents gross premiums written by the geographical location of the Company's subsidiaries:

Years ended December 31,	2025	2024	2023
U.S.	\$ 5,204,252	\$ 4,864,074	\$ 4,484,789
Ireland	1,892,851	1,923,006	1,837,177
Lloyd's of London	2,346,215	1,998,217	1,759,990
Bermuda	201,196	220,591	274,569
Gross premiums written	\$ 9,644,514	\$ 9,005,888	\$ 8,356,525

The following table presents net premiums earned by segment and line of business:

Years ended December 31,	2025	2024	2023
<u>Insurance</u>			
Property	\$ 1,347,011	\$ 1,139,308	\$ 878,849
Professional lines	887,533	817,535	764,558
Liability	543,627	494,561	496,381
Cyber	310,837	347,842	323,025
Marine and aviation	665,306	614,826	567,292
Accident and health	338,522	360,894	306,061
Credit and political risk	198,649	151,070	125,534
Total Insurance	4,291,485	3,926,036	3,461,700
<u>Reinsurance</u>			
Liability	314,003	309,265	403,239
Professional lines	198,457	169,074	205,404
Motor	126,233	123,545	155,942
Accident and health	303,690	322,932	341,806
Credit and surety	273,702	231,780	236,408
Agriculture	137,367	126,549	121,628
Marine and aviation	57,667	64,609	65,658
<u>Run-off lines</u>			
Catastrophe	406	13,412	33,963
Property	3,845	6,266	44,508
Engineering	7,754	12,767	13,525
Total run-off lines	12,005	32,445	91,996
Total Reinsurance	1,423,124	1,380,199	1,622,081
Total	\$ 5,714,609	\$ 5,306,235	\$ 5,083,781

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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
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	—	—	—	—
At December 31, 2024				
Gross amount	95,890	120,784	394,604	611,278
Accumulated amortization	n/a	n/a	(328,505)	(328,505)
Accumulated translation adjustment	4,911	—	—	4,911
	100,801	120,784	66,099	287,684
Amortization	n/a	n/a	(10,917)	(10,917)
Impairment charges	—	—	—	—
Tax-related adjustments	(34,303)	—	—	(34,303)
At December 31, 2025				
Gross amount	95,890	120,784	394,604	611,278
Accumulated amortization	n/a	n/a	(339,421)	(339,421)
Accumulated translation adjustment	4,911	—	—	4,911
Tax-related adjustments	(34,303)	—	—	(34,303)
	66,498	120,784	55,183	242,465
Amortization	n/a	n/a	(9,917)	(9,917)
Impairment charges	—	—	—	—
	\$ 66,498	\$ 120,784	\$ 45,266	\$ 232,548

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

For the years ended December 31, 2025, 2024 and 2023, the Company's impairment review of goodwill did not result in the recognition of an impairment loss.

Tax-related Adjustments

During the year ended December 31, 2024, the Company assessed that certain deferred tax assets and deferred tax liabilities were no longer required and recognized a tax-related adjustment of \$34 million.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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:

At December 31, 2025	VOBA and intangible assets		
	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 ⁽¹⁾	13,330	\$ (13,330)	—
VOBA ⁽²⁾	256,942	(256,942)	—
Coverholders ⁽²⁾	63,565	(43,701)	19,864
Large brokers ⁽²⁾	46,641	(25,653)	20,988
SME brokers ⁽²⁾	14,126	(9,712)	4,414
	<u>\$ 515,388</u>	<u>\$ (349,338)</u>	<u>\$ 166,050</u>

n/a – not applicable

- (1) On April 1, 2015, the Company completed its acquisition of Ternian Insurance Group LLC 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.

At December 31, 2024	VOBA and intangible assets		
	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 ⁽¹⁾	13,330	\$ (12,993)	337
VOBA ⁽²⁾	256,942	(256,942)	—
Coverholders ⁽²⁾	63,565	(38,408)	25,157
Large brokers ⁽²⁾	46,641	(22,545)	24,096
SME brokers ⁽²⁾	14,126	(8,533)	5,593
	<u>\$ 515,388</u>	<u>\$ (339,421)</u>	<u>\$ 175,967</u>

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 Group plc ("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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

4. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

The table below provides details of estimated amortization expense of intangible assets with a finite life:

	Total
2026	\$ 9,583
2027	9,583
2028	9,583
2029	7,965
2030	3,109
After 2030	5,443
Total remaining amortization expense	45,266
Indefinite lived intangible assets	120,784
Total intangible assets	\$ 166,050

The estimated remaining average useful life of finite lived intangible assets is 5 years.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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, 2025					
Available for sale					
U.S. government and agency	\$ 2,406,907	\$ —	\$ 17,206	\$ (6,212)	\$ 2,417,901
Non-U.S. government	798,984	—	14,961	(3,401)	810,544
Corporate debt	5,168,562	(1,539)	96,137	(40,727)	5,222,433
Agency RMBS ⁽¹⁾	2,026,043	—	31,869	(22,560)	2,035,352
CMBS ⁽²⁾	811,056	—	6,641	(16,186)	801,511
Non-agency RMBS	193,372	(240)	1,366	(4,374)	190,124
ABS ⁽³⁾	1,479,963	(57)	12,231	(4,070)	1,488,067
Municipals ⁽⁴⁾	52,841	—	462	(1,208)	52,095
Total fixed maturities, available for sale	\$ 12,937,728	\$ (1,836)	\$ 180,873	\$ (98,738)	\$ 13,018,027
At December 31, 2024					
Available for sale					
U.S. government and agency	\$ 2,830,111	\$ —	\$ 6,011	\$ (33,136)	\$ 2,802,986
Non-U.S. government	753,315	—	2,584	(25,960)	729,939
Corporate debt	4,941,510	(3,690)	30,594	(126,224)	4,842,190
Agency RMBS ⁽¹⁾	1,245,681	—	1,154	(61,990)	1,184,845
CMBS ⁽²⁾	852,534	—	1,244	(34,170)	819,608
Non-agency RMBS	132,116	(195)	597	(9,982)	122,536
ABS ⁽³⁾	1,547,350	(53)	5,812	(13,277)	1,539,832
Municipals ⁽⁴⁾	117,288	—	125	(6,596)	110,817
Total fixed maturities, available for sale	\$ 12,419,905	\$ (3,938)	\$ 48,121	\$ (311,335)	\$ 12,152,753

(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 tranching 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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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, 2025			
Maturity			
Due in one year or less	\$ 364,414	\$ 364,273	2.8 %
Due after one year through five years	5,665,467	5,721,423	44.0 %
Due after five years through ten years	2,212,109	2,231,417	17.1 %
Due after ten years	185,304	185,860	1.4 %
	<u>8,427,294</u>	<u>8,502,973</u>	<u>65.3 %</u>
Agency RMBS	2,026,043	2,035,352	15.6 %
CMBS	811,056	801,511	6.2 %
Non-agency RMBS	193,372	190,124	1.5 %
ABS	1,479,963	1,488,067	11.4 %
Total	<u>\$ 12,937,728</u>	<u>\$ 13,018,027</u>	<u>100.0 %</u>
At December 31, 2024			
Maturity			
Due in one year or less	\$ 895,177	\$ 885,866	7.4 %
Due after one year through five years	5,637,336	5,567,905	45.8 %
Due after five years through ten years	1,895,116	1,826,564	15.0 %
Due after ten years	214,595	205,597	1.7 %
	<u>8,642,224</u>	<u>8,485,932</u>	<u>69.9 %</u>
Agency RMBS	1,245,681	1,184,845	9.7 %
CMBS	852,534	819,608	6.7 %
Non-agency RMBS	132,116	122,536	1.0 %
ABS	1,547,350	1,539,832	12.7 %
Total	<u>\$ 12,419,905</u>	<u>\$ 12,152,753</u>	<u>100.0 %</u>

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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, 2025						
Fixed maturities, available for sale						
U.S. government and agency	\$ 186,934	\$ (4,695)	\$ 314,665	\$ (1,517)	\$ 501,599	\$ (6,212)
Non-U.S. government	50,892	(2,202)	147,629	(1,199)	198,521	(3,401)
Corporate debt	589,821	(32,617)	501,402	(8,110)	1,091,223	(40,727)
Agency RMBS	338,652	(21,806)	160,500	(754)	499,152	(22,560)
CMBS	331,169	(15,831)	98,333	(355)	429,502	(16,186)
Non-agency RMBS	39,376	(4,361)	1,092	(13)	40,468	(4,374)
ABS	94,908	(3,582)	204,271	(488)	299,179	(4,070)
Municipals	21,039	(1,203)	727	(5)	21,766	(1,208)
Total fixed maturities, available for sale	\$ 1,652,791	\$ (86,297)	\$ 1,428,619	\$ (12,441)	\$ 3,081,410	\$ (98,738)
At December 31, 2024						
Fixed maturities, available for sale						
U.S. government and agency	\$ 262,368	\$ (17,515)	\$ 1,026,139	\$ (15,621)	\$ 1,288,507	\$ (33,136)
Non-U.S. government	98,846	(9,179)	457,889	(16,781)	556,735	(25,960)
Corporate debt	934,975	(78,979)	2,032,254	(47,245)	2,967,229	(126,224)
Agency RMBS	280,550	(35,333)	749,040	(26,657)	1,029,590	(61,990)
CMBS	410,213	(22,334)	260,411	(11,836)	670,624	(34,170)
Non-agency RMBS	69,418	(9,900)	8,302	(82)	77,720	(9,982)
ABS	147,281	(8,471)	295,897	(4,806)	443,178	(13,277)
Municipals	49,495	(4,198)	51,002	(2,398)	100,497	(6,596)
Total fixed maturities, available for sale	\$ 2,253,146	\$ (185,909)	\$ 4,880,934	\$ (125,426)	\$ 7,134,080	\$ (311,335)

At December 31, 2025, 2,244 fixed maturities (2024: 3,994) were in an unrealized loss position of \$99 million (2024: \$311 million) of which \$9 million (2024: \$14 million) was related to securities below investment grade or not rated.

At December 31, 2025, 1,522 fixed maturities (2024: 2,108) had been in a continuous unrealized loss position for twelve months or greater and had a fair value of \$1,653 million (2024: \$2,253 million).

The unrealized losses of \$99 million (2024: \$311 million) were due to non-credit factors and were expected to be recovered as the related securities approach maturity.

At December 31, 2025, 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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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
<u>At December 31, 2025</u>						
Held to maturity						
Corporate debt	\$ 145,137	\$ —	\$ 145,137	\$ 2,039	\$ (4,100)	\$ 143,076
ABS ⁽¹⁾	252,293	—	252,293	625	(52)	252,866
Total fixed maturities, held to maturity	\$ 397,430	\$ —	\$ 397,430	\$ 2,664	\$ (4,152)	\$ 395,942
<u>At December 31, 2024</u>						
Held to maturity						
Corporate debt	\$ 122,706	\$ —	\$ 122,706	\$ 675	\$ (7,764)	\$ 115,617
ABS ⁽¹⁾	320,694	—	320,694	560	(120)	321,134
Total fixed maturities, held to maturity	\$ 443,400	\$ —	\$ 443,400	\$ 1,235	\$ (7,884)	\$ 436,751

(1) Asset-backed securities ("ABS") include debt tranching securities collateralized primarily by collateralized loan obligations ("CLOs").

At December 31, 2025, fixed maturities, held to maturity of \$397 million (2024: \$443 million) were presented net of an allowance for expected credit losses of \$nil (2024: \$nil).

The Company's ABS, held to maturity consist of CLO debt tranching securities ("CLO Debt"). 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, 2025 and 2024, 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, 2025 and 2024, 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 had a net carrying value of \$252 million (2024: \$321 million).

Corporate debt classified as held to maturity with a net carrying value of \$32 million (2024: \$28 million) is due between 1 year and 3 years. Corporate debt classified as held to maturity with a net carrying value of \$110 million (2024: \$95 million) is due between 3 years and 10 years. Corporate debt classified as held to maturity with a net carrying value of \$3 million (2024: \$nil) is due after 10 years.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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
<u>At December 31, 2025</u>				
Equity securities				
Common stocks	\$ 13,927	\$ 439	\$ (671)	\$ 13,695
Preferred stocks	19,662	717	(68)	20,311
Exchange-traded funds	259,353	142,901	(497)	401,757
Bond mutual funds	288,333	9,411	(25,938)	271,806
Total equity securities	<u>\$ 581,275</u>	<u>\$ 153,468</u>	<u>\$ (27,174)</u>	<u>\$ 707,569</u>
<u>At December 31, 2024</u>				
Equity securities				
Common stocks	\$ 3,061	\$ 65	\$ (488)	\$ 2,638
Preferred stocks	5,843	136	(112)	5,867
Exchange-traded funds	188,771	126,477	(1,206)	314,042
Bond mutual funds	323,068	540	(66,881)	256,727
Total equity securities	<u>\$ 520,743</u>	<u>\$ 127,218</u>	<u>\$ (68,687)</u>	<u>\$ 579,274</u>

AXIS CAPITAL HOLDINGS LIMITED
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5. INVESTMENTS (CONTINUED)

d) Mortgage Loans

The following table provides details of the Company's mortgage loans, held for investment:

	December 31, 2025		December 31, 2024	
	Carrying value	% of Total	Carrying value	% of Total
Mortgage loans, held for investment:				
Commercial	\$ 386,582	108 %	\$ 529,075	105 %
Allowance for expected credit losses	(29,742)	(8%)	(23,378)	(5%)
Total mortgage loans, held for investment	\$ 356,840	100 %	\$ 505,697	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 commercial mortgage loan portfolio has a weighted average debt service coverage ratio of 1.6x (2024: 1.7x) and a weighted average loan-to-value ratio of 84% (2024: 78%).

At December 31, 2025, there were two commercial mortgage loans with past due amounts where the Company is assessing exit strategies. The carry value of these loans net of an allowance for expected credit losses was \$14 million. At December 31, 2024, there were no past due amounts associated with the commercial mortgage loans held by the Company.

On a quarterly basis, the Company's exposure to commercial mortgage loans in the office sector, that represents 51% (2024: 43%) of the total mortgage loan portfolio, is evaluated for credit losses based on inputs unique to this sector. This assessment utilizes historical credit loss experience adjusted to reflect current conditions and management forecasts. Further, collateral dependent commercial 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, any change in estimated credit losses is recognized as a change in the allowance for expected credit losses and is recorded in net investment gains (losses).

At December 31, 2025, the Company's mortgage loan portfolio had an allowance for expected credit losses of \$30 million (2024: \$23 million).

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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
<u>At December 31, 2025</u>				
Multi-strategy funds	\$ 11,577	1 %	Quarterly	60-90 days
Direct lending funds	186,747	18 %	Quarterly ⁽¹⁾	90 days
Private equity funds	364,376	36 %	n/a	n/a
Real estate funds	291,491	28 %	Quarterly ⁽²⁾ , Annually ⁽³⁾	45-90 days
Other privately held investments	173,607	17 %	n/a	n/a
Total other investments	\$ 1,027,798	100 %		
<u>At December 31, 2024</u>				
Multi-strategy funds	\$ 24,919	3 %	Quarterly	60-90 days
Direct lending funds	171,048	18 %	Quarterly ⁽¹⁾	90 days
Private equity funds	320,690	35 %	n/a	n/a
Real estate funds	291,640	31 %	Quarterly ⁽²⁾ , Annually ⁽³⁾	45-90 days
Other privately held investments	121,981	13 %	n/a	n/a
Total other investments	\$ 930,278	100 %		

n/a – not applicable

(1) Applies to one fund with a fair value of \$2 million (2024: \$3 million).

(2) Applies to one fund with a fair value of \$44 million (2024: \$51 million).

(3) Applies to one fund with a fair value of \$24 million (2024: \$21 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.

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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 2025 and 2024, neither of these restrictions impacted the Company's redemption requests.

At December 31, 2025, the Company had \$30 million (2024: \$28 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, 2025, there were no multi-strategy fund holdings (2024: nil) where the Company is still within the lockup period.

At December 31, 2025, the Company had \$292 million (2024: \$170 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 twelve years and the General Partners of certain funds have the option to extend the term by up to three years. At December 31, 2025, there was one direct lending fund holding (2024: nil), with a fair value of \$18 million (2024: \$nil), where the Company is still within the lockup period.

At December 31, 2025, the Company had \$240 million (2024: \$215 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, 2025, the Company had \$105 million (2024: \$91 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, 2025, the Company had \$16 million (2024: \$21 million) of unfunded commitments as a limited partner in four 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 five years, one fund has an investment term of ten years and one fund has an investment term of ten years with the option to extend the term by up to three years.

f) Equity Method Investments

The following table provides details of the Company's equity method investments:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Carrying value</u>	<u>Carrying value</u>
Equity method investments:		
Harrington Re	\$ 163,513	\$ 163,933
Monarch Point Re	63,668	43,061
Total equity method investments	\$ 227,181	\$ 206,994

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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5. INVESTMENTS (CONTINUED)

Harrington Re

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"). Following share tender offers in 2025 and 2024, the Company's ownership interest in Harrington increased to 23% and 22%, at December 31, 2025 and 2024, respectively.

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.

The Company accounts for its ownership interest in Harrington under the equity method of accounting.

Retrocession Agreement with Harrington Re

In the normal course of business, the Company enters into certain reinsurance transactions with Harrington Re.

For the year ended December 31, 2025, the Company ceded reinsurance premiums of \$209 million (2024: \$218 million; 2023: \$298 million) and ceded losses of \$131 million (2024: \$197 million; 2023: \$229 million) to Harrington Re. In addition, Harrington Re paid certain acquisition costs and administrative fees to the Company.

At December 31, 2025, the amount of reinsurance recoverable on unpaid and paid losses was \$814 million (2024: \$884 million) and the amount of ceded reinsurance payable included in insurance and reinsurance balances payable was \$131 million (2024: \$181 million) in the consolidated balance sheets. This transaction was conducted at market rates consistent with negotiated arms-length contracts.

During 2018, the Company entered into a quota share retrocessional agreement with Harrington Re which was deemed to have met the established criteria for retroactive reinsurance accounting. During 2024, the Company entered into a reinsurer novation and replacement agreement with Harrington Re and a third-party reinsurer with respect to this quota share retrocession contract.

Monarch Point Re

During 2023, the Company paid \$22 million to acquire 18% of the common equity of Monarch Point Re (ISAC) Ltd. and Monarch Point Re (ISA 2023) Ltd., 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"). During 2024, the Company paid \$14 million to acquire 18% of the common equity of Monarch Point Re (ISA 2024) Ltd. During 2025, the Company paid \$11 million to acquire 18% of the common equity of Monarch Point Re (ISA 2025) Ltd.

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.

The Company retrocedes a diversified portfolio of casualty reinsurance business to Monarch Point Re and Stone Point Credit Adviser LLC, a wholly owned subsidiary of Stone Point Capital, LLC ("Stone Point" refer to Note 18 'Related Party Transactions') serves as its investment manager. As an investor, 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. For the year ended December 31, 2025, fees paid by Monarch Point Re to Stone Point Credit Adviser LLC were \$2 million (2024: \$1 million; 2023; \$0.1 million).

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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5. INVESTMENTS (CONTINUED)

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. 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, 2025, the Company ceded reinsurance premiums of \$328 million (2024: \$323 million; 2023: \$287 million) and ceded losses of \$253 million (2024: \$214 million; 2023: \$37 million) to Monarch Point Re. In addition, Monarch Point Re paid certain acquisition costs and administrative fees to the Company.

At December 31, 2025, the amount of reinsurance recoverable on unpaid and paid losses was \$462 million (2024: \$246 million) and the amount of ceded reinsurance payable included in insurance and reinsurance balances payable was \$227 million (2024: \$226 million) in the consolidated balance sheets.

This transaction was conducted at market rates consistent with negotiated arms-length contracts.

Loan Advances Made to Monarch Point Re

During 2025, the Company advanced \$227 million (2024: \$253 million) to Monarch Point Re that was included in loan advances made in the Company's consolidated balance sheets. Loan balances receivable from Monarch Point Re are settled against amounts due to Monarch Point Re under the aforementioned retrocession agreements and are treated as a non-cash activity in the consolidated statement of cash flows. The loan balance receivable at December 31, 2025 was \$228 million (2024: \$243 million). Loan advances made are expected to be repaid in full by May 15, 2027 (2024: May 15, 2026).

Interest on these loans was payable in 2025 at interest rates between 4.3% and 4.8% (2024: interest rates between 4.7% and 5.5%). Interest related to these loans of \$5 million (2024: \$7 million) was received in advance and is included in other liabilities in the consolidated balance sheets.

AXIS CAPITAL HOLDINGS LIMITED
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5. INVESTMENTS (CONTINUED)

The following table provides a summary of non-cash settlements with Monarch Point Re:

Non-cash settlements with Monarch Point Re	2025	2024	2023
Loan advances made	\$ 153,579	\$ 181,516	\$ 50,072
Reinsurance recoverable on unpaid losses and loss expenses	59,141	31,936	4,207
Interest receivable on loan advances made	10,656	13,573	12,157
Net cash inflows	\$ 223,376	\$ 227,025	\$ 66,436
Insurance and reinsurance balances payable, net	\$ (223,376)	\$ (227,025)	\$ (66,436)
Net cash outflows	\$ (223,376)	\$ (227,025)	\$ (66,436)

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 73% of the Company's other investments. The investments in limited partnerships include multi-strategy funds, direct lending funds, private equity funds and real estate funds, that 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 carrying value reported in the Company's consolidated balance sheets and its unfunded commitments of \$612 million at December 31, 2025 (2024: \$466 million). 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,	2025	2024	2023
Fixed maturities	\$ 612,198	\$ 620,704	\$ 514,842
Other investments	69,275	48,666	20,411
Equity securities	13,593	12,922	12,088
Mortgage loans	23,587	34,028	35,312
Cash and cash equivalents	75,092	59,600	50,261
Short-term investments	3,136	12,569	8,924
Gross investment income	796,881	788,489	641,838
Investment expenses	(29,978)	(29,260)	(30,096)
Net investment income	\$ 766,903	\$ 759,229	\$ 611,742

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5. INVESTMENTS (CONTINUED)

i) Net Investment Gains (Losses)

The following table provides an analysis of net investment gains (losses):

Year ended December 31,	2025	2024	2023
Gross realized investment gains			
Fixed maturities, short-term investments, and cash and cash equivalents	\$ 81,559	\$ 77,525	\$ 32,920
Equity securities	40,102	32,292	16,847
Gross realized investment gains	121,661	109,817	49,767
Gross realized investment losses			
Fixed maturities, short-term investments, and cash and cash equivalents	(106,130)	(230,774)	(158,080)
Equity securities	(11,590)	(15,251)	(639)
Mortgage loans	(4,950)	(7,215)	—
Gross realized investment losses	(122,670)	(253,240)	(158,719)
(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	2,103	6,821	974
(Increase) decrease in allowance for expected credit losses, mortgage loans	(6,364)	(17,159)	(6,220)
Impairment losses ⁽¹⁾	(2,268)	(408)	(12,757)
Change in fair value of investment derivatives ⁽²⁾	(1,275)	1,783	(1,456)
Net unrealized gains (losses) on equity securities	67,763	13,852	53,781
Net investment gains (losses)	\$ 58,950	\$ (138,534)	\$ (74,630)

(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,	2025	2024	2023
Balance at beginning of period	\$ 3,938	\$ 10,759	\$ 11,733
Expected credit losses on securities where credit losses were not previously recognized	2,620	926	5,200
Additions (reductions) for expected credit losses on securities where credit losses were previously recognized	(1,000)	(2,319)	4,934
Impairments of securities which the Company intends to sell or more likely than not will be required to sell	—	—	—
Securities sold/redeemed/matured	(3,722)	(5,428)	(11,108)
Balance at end of period	\$ 1,836	\$ 3,938	\$ 10,759

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5. INVESTMENTS (CONTINUED)

The following table provides a reconciliation of the beginning and ending balances of the allowance for expected credit losses on mortgage loans:

Year ended December 31,	2025	2024	2023
Balance at beginning of period	\$ 23,378	\$ 6,220	\$ —
Expected credit losses on loans where credit losses were not previously recognized	3,172	21,757	6,220
Additions (reductions) for expected credit losses on loans where credit losses were previously recognized	8,927	2,616	—
Loans sold/redeemed/matured	(5,735)	(7,215)	—
Balance at end of period	\$ 29,742	\$ 23,378	\$ 6,220

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, 2025, the gross unrealized losses of \$3 million included foreign exchange losses of \$1 million. At December 31, 2024, the gross unrealized losses of \$26 million included foreign exchange losses of \$19 million. At December 31, 2025 and 2024, the Company determined that an allowance for expected credit losses on non-U.S. government securities was not required.

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, 2025 and 2024, corporate debt had an allowance for expected credit losses of \$2 million (2024: \$4 million) mainly related to loss severity where the forecasted recovery to amortized cost was uncertain.

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5. INVESTMENTS (CONTINUED)

CMBS

The Company's investments in CMBS are diversified and primarily rated AA or better. At December 31, 2025, CMBS had a weighted average estimated subordination percentage of 32% (2024: 34%). Based on discounted cash flows at December 31, 2025 and 2024, the current level of subordination is sufficient to cover the estimated loan losses on the underlying collateral of the CMBS. At December 31, 2025 and 2024, the Company determined that an allowance for expected credit losses on CMBS was not required.

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.

At December 31, 2025, the fair value of the Company's non-agency RMBS was \$190 million (2024: \$123 million), consisting primarily of \$16 million (2024: \$15 million) of Prime and \$162 million (2024: \$92 million) of Alt-A, Non-qualified, and Home Equity MBS. At December 31, 2025 and 2024, non-agency RMBS had an allowance for expected credit losses of \$0.2 million (2024: \$0.2 million) 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 purchased primarily as new issues between 2018 and 2025. 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, 2025 and 2024, ABS had an allowance for expected credit losses of \$0.1 million (2024: \$0.1 million) 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, 2025 and 2024, the Company determined that an allowance for expected credit losses on municipal securities was not required.

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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').

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,	2025	2024
Collateral in trust for inter-company agreements	\$ 2,820,416	\$ 2,549,220
Collateral for secured letter of credit facility	184,651	208,090
Funds at Lloyd's	1,069,623	883,362
Collateral in trust for third-party agreements	2,481,821	2,602,306
Securities on deposit or in trust with regulatory authorities	747,100	632,268
Total restricted investments and cash	\$ 7,303,611	\$ 6,875,246

k) Reverse Repurchase Agreements

At December 31, 2025, the Company held \$14 million (2024: \$543 million) 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.

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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.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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.

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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, exchange-traded funds and exchange listed preferred stocks 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 non-exchange listed 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

Other privately held investments include common shares, preferred shares, convertible notes, convertible preferred shares, a variable yield security and private company investment funds.

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6. FAIR VALUE MEASUREMENTS (CONTINUED)

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 net asset valuations ("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.

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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, 2025					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	\$ 2,385,085	\$ 32,816	\$ —	\$ —	\$ 2,417,901
Non-U.S. government	—	810,544	—	—	810,544
Corporate debt	—	5,033,161	189,272	—	5,222,433
Agency RMBS	—	2,035,352	—	—	2,035,352
CMBS	—	801,511	—	—	801,511
Non-agency RMBS	—	190,124	—	—	190,124
ABS	—	1,448,711	39,356	—	1,488,067
Municipals	—	52,095	—	—	52,095
	<u>2,385,085</u>	<u>10,404,314</u>	<u>228,628</u>	<u>—</u>	<u>13,018,027</u>
Equity securities					
Common stocks	13,695	—	—	—	13,695
Preferred stocks	14,239	6,072	—	—	20,311
Exchange-traded funds	401,757	—	—	—	401,757
Bond mutual funds	—	271,806	—	—	271,806
	<u>429,691</u>	<u>277,878</u>	<u>—</u>	<u>—</u>	<u>707,569</u>
Other investments					
Multi-strategy funds	—	—	—	11,577	11,577
Direct lending funds	—	—	—	186,747	186,747
Private equity funds	—	—	—	364,376	364,376
Real estate funds	—	—	—	291,491	291,491
Other privately held investments	—	—	123,925	49,682	173,607
	<u>—</u>	<u>—</u>	<u>123,925</u>	<u>903,873</u>	<u>1,027,798</u>
Short-term investments	—	20,298	—	—	20,298
Other assets					
Derivative instruments (refer to Note 7)	—	930	—	—	930
Total Assets	<u>\$ 2,814,776</u>	<u>\$ 10,703,420</u>	<u>\$ 352,553</u>	<u>\$ 903,873</u>	<u>\$ 14,774,622</u>
Liabilities					
Derivative instruments (refer to Note 7)	\$ —	\$ 8,859	\$ —	\$ —	\$ 8,859
Total Liabilities	<u>\$ —</u>	<u>\$ 8,859</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 8,859</u>

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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, 2024					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	\$ 2,767,315	\$ 35,671	\$ —	\$ —	\$ 2,802,986
Non-U.S. government	—	729,939	—	—	729,939
Corporate debt	—	4,715,799	126,391	—	4,842,190
Agency RMBS	—	1,184,845	—	—	1,184,845
CMBS	—	819,608	—	—	819,608
Non-agency RMBS	—	122,536	—	—	122,536
ABS	—	1,519,000	20,832	—	1,539,832
Municipals	—	110,817	—	—	110,817
	<u>2,767,315</u>	<u>9,238,215</u>	<u>147,223</u>	<u>—</u>	<u>12,152,753</u>
Equity securities					
Common stocks	2,638	—	—	—	2,638
Preferred stocks	3	5,864	—	—	5,867
Exchange-traded funds	314,042	—	—	—	314,042
Bond mutual funds	—	256,727	—	—	256,727
	<u>316,683</u>	<u>262,591</u>	<u>—</u>	<u>—</u>	<u>579,274</u>
Other investments					
Multi-strategy funds	—	—	—	24,919	24,919
Direct lending funds	—	—	—	171,048	171,048
Private equity funds	—	—	—	320,690	320,690
Real estate funds	—	—	—	291,640	291,640
Other privately held investments	—	—	92,230	29,751	121,981
	<u>—</u>	<u>—</u>	<u>92,230</u>	<u>838,048</u>	<u>930,278</u>
Short-term investments	—	223,666	—	—	223,666
Other assets					
Derivative instruments (refer to Note 7)	—	9,439	—	—	9,439
Total Assets	<u>\$ 3,083,998</u>	<u>\$ 9,733,911</u>	<u>\$ 239,453</u>	<u>\$ 838,048</u>	<u>\$ 13,895,410</u>
Liabilities					
Derivative instruments (refer to Note 7)	\$ —	\$ 3,100	\$ —	\$ —	\$ 3,100
Total Liabilities	<u>\$ —</u>	<u>\$ 3,100</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 3,100</u>

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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, 2025										
Fixed maturities, available for sale										
Corporate debt	\$126,391	\$ —	\$ —	\$ 252	\$ 1,843	\$ 84,228	\$ (2,072)	\$ (21,370)	\$ 189,272	\$ —
ABS	20,832	—	—	—	1,188	17,336	—	—	39,356	—
	<u>147,223</u>	<u>—</u>	<u>—</u>	<u>252</u>	<u>3,031</u>	<u>101,564</u>	<u>(2,072)</u>	<u>(21,370)</u>	<u>228,628</u>	<u>—</u>
Other investments										
CLO-Equities	—	—	—	—	—	—	—	—	—	—
Other privately held investments	92,230	—	—	7,799	—	40,232	—	(16,336)	123,925	6,374
	<u>92,230</u>	<u>—</u>	<u>—</u>	<u>7,799</u>	<u>—</u>	<u>40,232</u>	<u>—</u>	<u>(16,336)</u>	<u>123,925</u>	<u>6,374</u>
Total assets	<u>\$239,453</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 8,051</u>	<u>\$ 3,031</u>	<u>\$ 141,796</u>	<u>\$ (2,072)</u>	<u>\$ (37,706)</u>	<u>\$ 352,553</u>	<u>\$ 6,374</u>
Year ended December 31, 2024										
Fixed maturities, available for sale										
Corporate debt	\$135,753	\$ —	\$ (20,832)	\$ (1,347)	\$ 2,051	\$ 35,744	\$ (165)	\$ (24,813)	\$ 126,391	\$ —
ABS	—	20,832	—	—	—	—	—	—	20,832	—
	<u>135,753</u>	<u>20,832</u>	<u>(20,832)</u>	<u>(1,347)</u>	<u>2,051</u>	<u>35,744</u>	<u>(165)</u>	<u>(24,813)</u>	<u>147,223</u>	<u>—</u>
Other investments										
CLO-Equities	5,300	—	—	849	—	—	—	(6,149)	—	—
Other privately held investments	87,289	—	(6,899)	4,024	—	12,238	—	(4,422)	92,230	4,024
	<u>92,589</u>	<u>—</u>	<u>(6,899)</u>	<u>4,873</u>	<u>—</u>	<u>12,238</u>	<u>—</u>	<u>(10,571)</u>	<u>92,230</u>	<u>4,024</u>
Total assets	<u>\$228,342</u>	<u>\$ 20,832</u>	<u>\$ (27,731)</u>	<u>\$ 3,526</u>	<u>\$ 2,051</u>	<u>\$ 47,982</u>	<u>\$ (165)</u>	<u>\$ (35,384)</u>	<u>\$ 239,453</u>	<u>\$ 4,024</u>

(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.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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6. FAIR VALUE MEASUREMENTS (CONTINUED)

Transfers into Level 3 from Level 2

There were no transfers into Level 3 from Level 2 during 2025 and 2024.

Transfers out of Level 3 into Level 2

There were no transfers out of Level 3 into Level 2 during 2025 and 2024.

During 2024 there was a change in an asset classification that resulted in a Level 3 corporate bond being reclassified as a Level 3 ABS.

Other Transfers out of Level 3

During 2024, one private company investment fund included in other privately held investments in the consolidated balance sheets was transferred from Level 3 to the NAV practical expedient.

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 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, 2025 and 2024, 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.

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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, 2025, 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, 2025, the Company's fixed maturities, held to maturity, were recorded at amortized cost with a carrying value of \$397 million (2024: \$443 million) and a fair value of \$396 million (2024: \$437 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, 2025, 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, 2025, the Company's debt was recorded at amortized cost with a carrying value of \$1,317 million (2024: \$1,315 million) and a fair value of \$1,293 million (2024: \$1,247 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, 2025, Federal Home Loan Bank advances were recorded at amortized cost with a carrying value of \$66 million (2024: \$66 million) and a fair value of \$66 million (2024: \$66 million). As these advances are not actively traded, their fair values are classified as Level 2.

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7. DERIVATIVE INSTRUMENTS

The following table provides the balance sheet classifications of derivatives recorded at fair value:

	December 31, 2025			December 31, 2024		
	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⁾
<i>Relating to investment portfolio:</i>						
Foreign exchange forward contracts	\$ 9,583	\$ —	\$ 181	\$ 17,655	\$ 323	\$ —
<i>Relating to underwriting portfolio:</i>						
Foreign exchange forward contracts	1,425,737	930	8,678	1,323,714	9,116	3,100
Total derivatives		<u>\$ 930</u>	<u>\$ 8,859</u>		<u>\$ 9,439</u>	<u>\$ 3,100</u>

(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, 2025			December 31, 2024		
	Gross amounts	Gross amounts offset	Net amounts ⁽¹⁾	Gross amounts	Gross amounts offset	Net amounts ⁽¹⁾
Derivative assets	\$ 3,126	\$ (2,196)	\$ 930	\$ 20,067	\$ (10,628)	\$ 9,439
Derivative liabilities	\$ 11,055	\$ (2,196)	\$ 8,859	\$ 13,728	\$ (10,628)	\$ 3,100

(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 currency 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.

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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.

The following table provides the total unrealized and realized gains (losses) recognized in net income (loss) for derivatives not designated as hedges:

		Amount of gain (loss) recognized in net income (loss)		
		2025	2024	2023
<i>Relating to investment portfolio:</i>				
Foreign exchange forward contracts	Net investment gains (losses)	\$ (1,275)	\$ 1,783	\$ (1,456)
<i>Relating to underwriting portfolio:</i>				
Foreign exchange forward contracts	Foreign exchange (losses) gains	(3,439)	13,399	8,121
Total		\$ (4,714)	\$ 15,182	\$ 6,665

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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 reserve class 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. Reserve classes 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 reserve classes 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 reserve classes. The relative strengths and weaknesses of the specific 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 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 benchmark information, adjusted as appropriate, to reflect premium rate changes, loss and exposure trends, and terms and conditions. This method is insensitive to actual paid or incurred losses for the accident year or underwriting year in question and is, therefore, often useful in the early stages of development when few losses have been incurred. Conversely, the lack of sensitivity to paid or incurred 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 paid or incurred 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 paid or incurred at the same point in time after the inception of that year. The percentages paid or incurred 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, industry benchmark information. Ultimate losses are then estimated by multiplying the actual paid or incurred 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.

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- *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 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 reserve class 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 reserve class 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 benchmark information, 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 reserve classes 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 the Company's current estimates.

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

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, 2025. 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;
- a review of the Company's claims notifications
- 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, 2025 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 benchmark 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,	2025	2024
Reserve for reported losses and loss expenses	\$ 5,797,152	\$ 5,433,903
Reserve for losses incurred but not reported	12,325,104	11,785,026
Reserve for losses and loss expenses	\$ 18,122,256	\$ 17,218,929

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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,	2025	2024	2023
Gross reserve for losses and loss expenses, beginning of year	\$ 17,218,929	\$ 16,434,018	\$ 15,168,863
Less reinsurance recoverable on unpaid losses and loss expenses, beginning of year	(6,840,897)	(6,323,083)	(5,831,172)
Net reserve for unpaid losses and loss expenses, beginning of year	<u>10,378,032</u>	<u>10,110,935</u>	<u>9,337,691</u>
Net incurred losses and loss expenses related to:			
Current year	3,375,504	3,182,810	2,981,220
Prior years	(86,963)	(24,323)	411,882
	<u>3,288,541</u>	<u>3,158,487</u>	<u>3,393,102</u>
Net paid losses and loss expenses related to:			
Current year	(592,308)	(538,709)	(488,016)
Prior years	(2,554,334)	(2,360,100)	(2,185,588)
	<u>(3,146,642)</u>	<u>(2,898,809)</u>	<u>(2,673,604)</u>
Foreign exchange and other	286,994	(110,280)	126,275
Ceded reserves related to retroactive transactions	(1,636,432)	117,699	(72,529)
	<u>(1,349,438)</u>	<u>7,419</u>	<u>53,746</u>
Net reserve for unpaid losses and loss expenses, end of year	<u>9,170,493</u>	<u>10,378,032</u>	<u>10,110,935</u>
Reinsurance recoverable on unpaid losses and loss expenses, end of year	<u>8,951,763</u>	<u>6,840,897</u>	<u>6,323,083</u>
Gross reserve for losses and loss expenses, end of year	<u>\$ 18,122,256</u>	<u>\$ 17,218,929</u>	<u>\$ 16,434,018</u>

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 2025, 2024 and 2023, the Company recognized catastrophe and weather-related losses, net of reinstatement premiums, of \$159 million, \$226 million and \$138 million.

On April 24, 2025, the Company completed a loss portfolio transfer reinsurance agreement ("LPT agreement") with Cavello Bay Reinsurance Limited, a wholly-owned subsidiary of Enstar Group Limited ("Enstar") which was deemed to have met the established criteria for retroactive reinsurance accounting (refer to Note 9 'Reinsurance' and Note 18 'Related Party Transactions'). At December 31, 2025, foreign exchange and other included an increase in reinsurance recoverable on unpaid losses of \$1.8 billion related to this transaction.

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.

AXIS CAPITAL HOLDINGS LIMITED
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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Estimates for Catastrophe Events

At December 31, 2025, 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 California Wildfires, the Middle Eastern Conflict and Hurricane Melissa in 2025, and Hurricane Milton and Hurricane Helene in 2024. As a result, actual losses for these events may ultimately differ materially from the Company's 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 favorable (adverse) prior year reserve development by segment:

	Favorable (Adverse)		
	Insurance	Reinsurance	Total
Year ended December 31, 2025	\$ 66,975	\$ 19,988	\$ 86,963
Year ended December 31, 2024	\$ 16,209	\$ 8,114	\$ 24,323
Year ended December 31, 2023	\$ (176,353)	\$ (235,529)	\$ (411,882)

The following sections provide further details on net favorable (adverse) prior year reserve development by segment, reserve class and accident year.

Insurance Segment:

The following table maps the Company's lines of business to reserve classes:

Insurance segment	Reserve class		
	Property	Casualty	Specialty other
Reported lines of business			
Property	X		
Professional lines		X	
Liability		X	
Cyber		X	
Marine and aviation			X
Accident and health			X
Credit and political risk			X

Prior year reserve development by reserve class was as follows:

Years ended December 31,	Favorable (Adverse)		
	2025	2024	2023
Property	\$ 37,891	\$ 17,718	\$ 16,195
Casualty	—	—	(240,980)
Specialty other	29,084	(1,509)	48,432
Total	\$ 66,975	\$ 16,209	\$ (176,353)

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

In 2025, we recognized \$67 million of net favorable prior year reserve development, the principal components of which were:

- \$38 million of net favorable prior year reserve development on property business.
- \$29 million of net favorable prior year development on the specialty other reserve class primarily due to better than expected loss emergence attributable to the credit and political risk line of business and the accident and health line of business.

In 2024, we recognized \$16 million of net favorable prior year reserve development, the principal components of which were:

- \$18 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence mainly related to the 2022 accident year.
- \$2 million of net adverse prior year development on the specialty other reserve class including:
 - \$11 million of net adverse prior year reserve development attributable to the marine and aviation line of business due to an increase in the loss estimate attributable to a specific large claim related to the 2019 accident year.
 - \$5 million of net favorable prior year reserve development attributable to credit and political risk line of business due to better than expected loss emergence related to 2013 and older accident years and 2019 through 2022 accident years.
 - \$4 million of net favorable prior year reserve development attributable to accident and health line of business due to better than expected loss emergence attributable to pet insurance business.

In 2023, we recognized \$176 million of net adverse prior year reserve development, the principal components of which were:

- \$241 million of net adverse prior year reserve development on the casualty reserve class including:
 - \$235 million of net adverse prior year development attributable to the liability line of business due to reserve strengthening within the U.S. primary casualty book of business mainly related to 2022 and older accident years and U.S. programs books of business mainly related to 2017 through 2022 accident years associated with 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.
 - \$41 million of net adverse prior year development attributable to 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 the international book 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.
 - \$36 million of net favorable prior year reserve development attributable to the cyber line of business 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.
- \$48 million of net favorable prior year reserve development on the specialty other reserve class including:
 - \$32 million of net favorable prior year reserve development attributable to the credit and political risk line of 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 attributable to the marine and aviation line of 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.
 - \$10 million of net adverse prior year reserve development attributable to the accident and health line of business primarily due to reserve strengthening within the international book of business mainly related to the 2021 and 2022 accident years.

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- \$16 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence mainly related to 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.

Reinsurance Segment:

The following table maps the Company's lines of business to reserve classes:

Reinsurance segment	Reserve class		
	Casualty	Specialty	Run-off
Reported lines of business			
Liability	X		
Professional lines	X		
Motor	X		
Accident and health		X	
Credit and surety		X	
Agriculture		X	
Marine and aviation		X	
Catastrophe			X
Property			X
Engineering			X

Prior year reserve development by reserve class was as follows:

Years ended December 31,	Favorable (Adverse)		
	2025	2024	2023
Casualty	\$ —	\$ —	\$ (363,948)
Specialty	19,863	8,114	61,629
Run-off	125	—	66,790
Total	\$ 19,988	\$ 8,114	\$ (235,529)

In 2025, we recognized \$20 million of net favorable prior year reserve development, the principal components of which were:

- \$20 million of net favorable prior year reserve development on the specialty reserve class primarily due to better than expected loss emergence attributable to the agriculture line of business and the accident and health line of business.

In 2024, we recognized \$8 million of net favorable prior year reserve development, the principal components of which were:

- \$8 million of net favorable prior year reserve development on the specialty reserve class including:
 - \$4 million attributable to the marine and aviation line of business due to better than expected loss emergence mainly related to the 2022 accident year.
 - \$4 million attributable to the credit and surety line of business due to better than expected loss emergence attributable to the mortgage book of business mainly related to the 2020 accident year.

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

In 2023, we recognized \$236 million of net adverse prior year reserve development, the principal components of which were:

- \$364 million of net adverse prior year reserve development on the casualty reserve class including:
 - \$262 million of net adverse prior year reserve development attributable to the liability line of business due to reserve strengthening within the U.S. casualty and U.S. multiline/regional books of business related to all accident years associated with 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 attributable to professional lines business due to reserve strengthening within the U.S. proportional book of business mainly related to 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 attributable to the motor line of business 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 2018 through 2022 accident years.
- \$62 million of net favorable prior year reserve development on the specialty reserve class including:
 - \$30 million of net favorable prior year reserve development attributable to the accident and health line of business primarily due to better than expected loss emergence mainly related to 2018 through 2021 accident years.
 - \$13 million of net favorable prior year reserve development attributable to the marine and aviation line of 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 attributable to the agriculture line of 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 attributable to the credit and surety line of business 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.
- \$67 million of net favorable prior year reserve development on the run-off reserve class including:
 - \$46 million of net favorable prior year reserve development attributable to the catastrophe line of business due to better than expected loss emergence mainly attributable to 2022 catastrophe events.
 - \$15 million of net favorable prior year reserve development attributable to the property line of business due to better than expected loss emergence mainly attributable to 2022 catastrophe events.
 - \$5 million of net favorable prior year reserve development attributable to the engineering line of business due to better than expected loss emergence mainly related to older accident years.

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

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 reserve class. The loss development tables are presented on an accident year basis for each reserve class 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 which results in all historical U.S. dollar amounts being presented on a constant-dollar basis. The approach shows prior year loss development exclusive of the effect of fluctuations in foreign currency exchange rates, which would otherwise distort the change in incurred losses and loss expenses and cash flow patterns. The change in incurred losses and loss expenses presented in these loss development tables differs from other U.S. GAAP disclosures of prior year reserve development amounts, which include the effect of fluctuations in exchanges rates. 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 reserve classes 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 reserve class. 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.

Insurance Property

The property reserve class provides physical loss or damage, business interruption and machinery breakdown cover for virtually all types of property as well as physical damage and business interruption following an act of terrorism. Cover is provided on an occurrence basis and some risks are catastrophe-exposed. In general, reporting and payment patterns are relatively short although they can be volatile due to the incidence of catastrophe events.

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance property												
<u>Incurred claims and allocated claim adjustment expenses, net of reinsurance</u>											At December 31, 2025	
Accident year	For the years ended December 31,										Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025		
2016	\$ 264,194	\$ 289,213	\$ 280,512	\$ 266,055	\$ 260,134	\$ 261,503	\$ 260,917	\$ 266,033	\$ 265,364	\$ 268,320	\$ 843	6,694
2017		797,170	704,795	693,194	683,764	679,915	680,251	674,933	673,117	675,382	13,782	10,124
2018			614,321	645,557	624,664	616,929	616,102	606,842	600,785	600,610	303	9,711
2019				379,574	370,018	369,591	379,696	363,589	363,928	366,073	5,127	9,653
2020					669,832	644,624	594,489	603,112	608,297	614,552	9,645	12,562
2021						380,914	378,525	375,290	375,209	378,089	6,870	8,002
2022							417,271	421,974	406,032	407,847	18,306	7,813
2023								402,022	400,748	369,344	56,469	7,354
2024									545,712	525,040	151,212	7,941
2025										585,269	280,088	7,289
									Total	<u>\$4,790,526</u>		

Insurance property												
<u>Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance</u>												
Accident year	For the years ended December 31,											
	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025		
2016	\$ 82,930	\$ 207,490	\$ 243,902	\$ 251,487	\$ 251,573	\$ 257,527	\$ 254,939	\$ 261,163	\$ 265,436	\$ 267,127		
2017		191,282	516,060	626,041	654,387	650,383	640,135	652,344	652,894	656,471		
2018			223,593	473,016	569,027	578,912	597,042	583,171	592,302	597,839		
2019				150,263	263,234	314,815	352,040	341,846	346,945	349,144		
2020					183,428	431,914	489,509	539,712	570,037	586,705		
2021						134,554	288,144	325,758	345,584	358,224		
2022							97,826	263,666	330,983	357,064		
2023								90,869	210,618	267,668		
2024									112,214	259,794		
2025										131,652		
									Total	<u>3,831,688</u>		
											All outstanding liabilities before 2016, net of reinsurance	13,460
											Liabilities for claims and claim adjustment expenses, net of reinsurance	<u>\$ 972,298</u>

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance property									
<u>Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)</u>									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
29.5%	38.8%	13.9%	5.5%	1.3%	0.5%	0.7%	1.1%	1.1%	0.6%

Insurance Casualty

The casualty reserve class provides cover for professional lines, liability and cyber lines of business. Cover is provided on a claims made basis for professional lines and cyber lines of business and on an occurrence basis for liability lines of business. In general, this reserve class is anticipated to exhibit longer reporting and payment patterns.

Insurance casualty												
<u>Incurred claims and allocated claim adjustment expenses, net of reinsurance</u>											At December 31, 2025	
Accident year	For the years ended December 31,										Total of incurred-but-not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025		
2016	\$ 474,228	\$ 482,526	\$ 487,559	\$ 487,417	\$ 490,035	\$ 492,878	\$ 497,108	\$ 510,078	\$ 515,518	\$ 535,542	\$ 40,372	20,461
2017		563,754	565,587	624,541	636,060	655,626	661,141	701,960	702,912	702,059	29,806	23,792
2018			530,691	547,414	622,884	665,020	698,951	751,975	767,689	790,152	32,781	26,608
2019				599,840	620,636	688,421	737,128	839,466	844,494	860,703	64,084	26,086
2020					666,364	657,806	640,606	673,362	681,243	684,991	114,350	19,041
2021						742,516	755,260	737,784	727,349	724,867	149,013	18,746
2022							922,640	933,723	929,766	917,685	402,934	19,258
2023								942,711	940,454	911,050	434,565	20,063
2024									1,041,785	1,010,791	678,741	19,453
2025										1,136,503	1,008,138	17,971
									Total	<u>\$8,274,343</u>		

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance casualty										
Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance										
For the years ended December 31,										
Accident year	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025
2016	\$ 22,170	\$ 94,271	\$ 183,591	\$ 248,591	\$ 300,340	\$ 339,912	\$ 397,457	\$ 419,865	\$ 450,515	\$ 469,318
2017		26,465	101,215	197,689	321,200	382,810	482,262	526,332	572,178	623,635
2018			30,183	117,752	226,717	341,171	446,209	547,079	614,767	691,586
2019				35,881	138,059	251,451	408,803	542,516	621,781	705,343
2020					34,674	119,870	237,996	327,481	432,312	504,596
2021						47,336	156,143	263,118	378,157	501,744
2022							32,256	138,448	282,090	392,368
2023								31,491	157,547	311,739
2024									40,449	213,515
2025										69,989
									Total	<u>4,483,833</u>
										All outstanding liabilities before 2016, net of reinsurance
										<u>225,184</u>
										Liabilities for claims and claim adjustment expenses, net of reinsurance
										<u>\$ 4,015,694</u>

Insurance casualty									
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%	13.0%	15.3%	14.8%	13.3%	10.8%	8.8%	6.8%	6.5%	3.5%

Insurance Specialty Other

The specialty other reserve class provides cover for marine and aviation, accident and health, and credit and political risk lines of business. Cover is provided primarily on an occurrence basis for this reserve class. Reporting and payment patterns are relatively short for most exposures in this reserve class although they can be volatile due to the incidence of catastrophe events. In addition, some marine and aviation exposures can develop slower due to the liability nature of the associated claims. An increase in accident and health limited benefits medical business written in 2017 resulted in a significant increase in reported claims observed in that year and subsequent years.

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 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.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance specialty other												
Incurred claims and allocated claim adjustment expenses, net of reinsurance											At December 31, 2025	
Accident year	For the years ended December 31,										Total of incurred-but- not-reported liabilities plus expected development on reported claims	Cumulative number of reported claims
	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025		
2016	\$ 248,754	\$ 244,508	\$ 240,101	\$ 234,312	\$ 217,231	\$ 216,430	\$ 216,026	\$ 216,398	\$ 214,925	\$ 215,037	\$ 2,523	91,904
2017		428,561	388,663	377,195	365,696	355,654	350,463	347,392	346,400	346,952	8,086	696,601
2018			396,345	411,100	395,181	378,650	369,313	374,592	376,823	376,760	17,661	753,818
2019				346,372	370,874	358,100	374,001	368,423	394,756	389,886	19,556	683,450
2020					342,739	317,183	297,336	283,765	289,280	273,970	10,507	725,091
2021						352,778	332,167	310,600	330,852	357,495	25,909	447,218
2022							410,974	405,917	405,471	392,247	91,271	408,378
2023								532,094	493,950	484,440	100,063	414,351
2024									628,023	621,144	164,284	437,818
2025										646,035	361,945	605,277
									Total	\$ 4,103,966		

Insurance specialty other												
Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance												
Accident year	For the years ended December 31,											
	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025		
2016	\$ 65,600	\$ 156,709	\$ 192,672	\$ 200,807	\$ 203,899	\$ 206,253	\$ 210,055	\$ 209,878	\$ 209,530	\$ 210,778		
2017		100,996	223,825	268,301	304,440	313,555	316,261	328,573	331,649	334,497		
2018			116,738	248,067	289,636	303,709	324,441	341,526	347,992	354,752		
2019				116,646	213,823	265,640	299,534	305,252	319,466	347,782		
2020					91,718	230,280	230,338	236,856	254,568	268,207		
2021						69,023	131,132	187,304	231,962	272,912		
2022							79,751	192,348	239,614	269,855		
2023								134,882	248,292	311,530		
2024									192,270	345,728		
2025										197,630		
									Total	2,913,671		
											All outstanding liabilities before 2016, net of reinsurance	24,693
											Liabilities for claims and claim adjustment expenses, net of reinsurance	\$ 1,214,988

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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Insurance specialty other									
<u>Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)</u>									
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
28.3%	31.4%	11.8%	7.0%	4.8%	3.0%	3.6%	0.9%	0.3%	0.6%

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 that 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 Casualty

The casualty reserve class provides cover for professional lines, motor and liability lines of business. Cover is provided on a claims-made basis for professional lines and on an occurrence basis for the liability and motor lines of business. This business is written on a proportional and excess of loss basis. In general, this reserve class is anticipated to exhibit longer reporting and payment patterns.

AXIS CAPITAL HOLDINGS LIMITED
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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance casualty											
Incurred claims and allocated claim adjustment expenses, net of reinsurance											December 31, 2025
Accident Year	For the years ended December 31,										Total of incurred-but-not-reported liabilities plus expected development on reported claims
	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025	
2016	\$ 690,240	\$ 716,938	\$ 727,835	\$ 748,329	\$ 777,045	\$ 778,357	\$ 801,648	\$ 855,937	\$ 858,665	\$ 858,409	\$ 26,385
2017		809,462	815,689	820,321	845,226	865,355	892,461	965,711	965,036	965,332	54,657
2018			782,566	793,128	817,794	836,500	851,700	932,423	928,739	947,361	56,099
2019				754,582	763,632	769,587	762,805	836,140	838,204	839,006	52,378
2020					653,493	659,234	645,183	650,882	658,887	658,641	119,789
2021						644,504	646,955	680,083	671,408	663,189	162,865
2022							688,474	684,022	670,616	671,452	188,146
2023								546,519	554,649	555,642	226,893
2024									456,194	444,952	292,350
2025										522,007	473,378
									Total	<u>\$7,125,991</u>	

Reinsurance casualty												
Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance												
For the years ended December 31,												
Accident Year	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025		
2016	\$ 75,377	\$ 167,039	\$ 256,260	\$ 360,017	\$ 435,248	\$ 513,100	\$ 571,515	\$ 629,328	\$ 679,824	\$ 717,123		
2017		88,533	196,467	290,320	392,277	480,094	567,187	639,330	708,255	774,301		
2018			104,813	200,443	331,770	412,550	501,750	596,203	680,610	741,177		
2019				110,591	246,094	320,448	403,468	485,219	571,390	642,173		
2020					65,017	163,338	230,047	294,009	355,462	414,191		
2021						57,456	148,458	219,736	297,582	370,232		
2022							56,724	118,707	203,460	292,777		
2023								44,552	104,491	185,341		
2024									31,537	66,724		
2025										13,034		
									Total	<u>4,217,073</u>		
											All outstanding liabilities before 2016, net of reinsurance	565,169
											Liabilities for claims and claim adjustment expenses, net of reinsurance	<u>\$ 3,474,087</u>

Reinsurance casualty									
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
8.7%	11.6%	11.4%	10.8%	9.6%	9.5%	7.9%	6.7%	6.4%	4.3%

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance Specialty

The specialty reserve class provides cover for accident and health, credit and surety, agriculture, and marine and aviation lines of business. The Company exited aviation business effective January 1, 2023. Cover is provided primarily on an occurrence basis for this reserve class. This business is written on a proportional and excess of loss basis. Reporting and payment patterns for most exposures in this reserve class are relatively short although they can be volatile due to the incidence of catastrophe events.

Reinsurance specialty											
Incurred claims and allocated claim adjustment expenses, net of reinsurance											
For the years ended December 31,											
Accident Year	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025	December 31, 2025 Total of incurred- but-not-reported liabilities plus expected development on reported claims
2016	\$ 472,023	\$ 490,739	\$ 488,749	\$ 464,383	\$ 454,899	\$ 453,189	\$ 451,262	\$ 453,775	\$ 456,548	\$ 452,185	\$ 3,205
2017		532,267	512,690	493,255	489,803	484,173	480,017	478,581	475,852	479,888	2,317
2018			467,286	498,805	484,263	500,398	497,430	486,774	489,097	488,593	7,603
2019				551,807	551,275	546,732	539,575	528,029	531,139	533,010	12,051
2020					407,859	410,772	386,315	395,782	390,668	387,622	11,406
2021						398,655	375,440	359,110	358,453	361,327	16,055
2022							502,136	467,399	451,017	443,802	43,170
2023								475,608	483,611	473,821	118,174
2024									438,793	439,301	139,809
2025										451,236	243,704
									Total	<u>\$4,510,785</u>	

Reinsurance specialty											
Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance											
For the years ended December 31,											
Accident Year	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025	
2016	\$ 104,599	\$ 307,926	\$ 411,629	\$ 433,047	\$ 438,523	\$ 437,520	\$ 438,959	\$ 441,461	\$ 441,265	\$ 436,496	
2017		127,085	380,961	431,330	456,209	456,842	460,518	461,228	460,319	463,628	
2018			119,005	374,068	427,002	450,919	456,281	467,466	470,521	470,606	
2019				127,026	384,279	452,042	477,545	492,462	503,811	504,061	
2020					129,000	271,338	329,554	322,782	332,223	339,009	
2021						81,830	234,988	295,028	310,156	322,579	
2022							132,056	300,556	350,944	377,754	
2023								158,077	277,087	330,555	
2024									141,081	262,225	
2025										164,210	
									Total	<u>3,671,123</u>	
										All outstanding liabilities before 2016, net of reinsurance	48,306
										Liabilities for claims and claim adjustment expenses, net of reinsurance	<u>\$ 887,968</u>

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance specialty									
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
28.5%	40.9%	13.9%	4.0%	1.8%	1.4%	0.3%	0.1%	0.4%	(1.1)%

Reinsurance Run-off

The Run-off reserve class provides cover for catastrophe, property and engineering lines of business. The Company exited the catastrophe and property lines of business in June 2022. The Company exited the engineering line of business in 2020. This business was written on a proportional and excess of loss basis. Reporting and payment patterns for most exposures in this reserve class 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											December 31, 2025
Incurred claims and allocated claim adjustment expenses, net of reinsurance											Total of incurred- but-not-reported liabilities plus expected development on reported claims
For the years ended December 31,											
Accident Year	2016 unaudited	2017 unaudited	2018 unaudited	2019 unaudited	2020 unaudited	2021 unaudited	2022 unaudited	2023 unaudited	2024 unaudited	2025	
2016	\$ 286,471	\$ 285,473	\$ 282,417	\$ 277,034	\$ 280,606	\$ 280,862	\$ 280,588	\$ 273,720	\$ 273,541	\$ 273,445	\$ 1,805
2017		706,847	699,583	734,025	735,533	733,418	723,586	715,848	720,081	709,439	8,847
2018			522,499	609,737	622,388	607,888	593,666	593,570	591,051	594,985	18,341
2019				436,899	417,983	397,489	382,095	375,084	377,752	381,141	20,029
2020					523,736	559,594	555,787	559,722	554,625	556,705	39,256
2021						439,866	452,538	449,198	447,666	445,121	32,858
2022							269,326	229,016	231,964	229,478	46,821
2023								64,432	61,543	61,475	22,479
2024									28,826	32,754	7,484
2025										9,974	4,437
									Total	<u>\$3,294,517</u>	

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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8. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Reinsurance run-off										
<u>Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance</u>										
For the years ended December 31,										
<u>Accident Year</u>	<u>2016</u> unaudited	<u>2017</u> unaudited	<u>2018</u> unaudited	<u>2019</u> unaudited	<u>2020</u> unaudited	<u>2021</u> unaudited	<u>2022</u> unaudited	<u>2023</u> unaudited	<u>2024</u> unaudited	<u>2025</u>
2016	\$ 64,091	\$ 140,521	\$ 200,390	\$ 231,655	\$ 245,912	\$ 252,959	\$ 258,412	\$ 257,009	\$ 259,688	\$ 262,665
2017		162,930	413,833	521,421	579,439	603,920	639,970	651,113	662,615	671,942
2018			116,421	327,067	421,012	473,785	520,135	541,489	549,967	556,385
2019				55,136	204,018	263,511	299,187	323,736	337,930	344,330
2020					105,162	238,405	323,736	393,094	444,569	455,578
2021						87,860	239,137	309,066	361,441	378,800
2022							50,273	103,775	139,163	155,767
2023								22,862	29,382	32,667
2024									11,372	15,628
2025										4,795
									Total	<u>2,878,557</u>
										All outstanding liabilities before 2016, net of reinsurance
										<u>33,115</u>
										Liabilities for claims and claim adjustment expenses, net of reinsurance
										<u>\$ 449,075</u>

Reinsurance run-off									
<u>Average annual percentage payout of incurred claims by age, net of reinsurance (unaudited)</u>									
<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
26.1%	27.0%	15.0%	9.9%	6.0%	3.4%	1.7%	0.7%	1.2%	1.1%

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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, 2025, 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, 2025		
	Net outstanding liabilities	Reinsurance recoverable on unpaid claims	Gross outstanding liabilities
Insurance segment			
Property	\$ 972,298	\$ 526,407	\$ 1,498,705
Casualty	4,015,694	3,918,423	7,934,117
Specialty other	1,214,988	438,800	1,653,788
Total insurance segment	6,202,980	4,883,630	11,086,610
Reinsurance segment			
Casualty	3,474,087	3,297,288	6,771,375
Specialty	887,968	402,574	1,290,542
Run-off	449,075	368,271	817,346
Total reinsurance segment	4,811,130	4,068,133	8,879,263
Total	\$ 11,014,110	\$ 8,951,763	19,965,873
Unallocated claims adjustment expenses			240,209
Foreign exchange and other ⁽¹⁾			(5,400)
Ceded reserves related to retroactive transactions			(2,078,426)
Total liability for unpaid claims and claims adjustment expense			\$ 18,122,256

- (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, which results in all historical U.S. dollar amounts being presented on a constant-dollar basis. The approach shows prior year loss development exclusive of the effect of fluctuations in foreign currency exchange rates, which would otherwise distort the change in incurred losses and loss expenses and cash flow patterns. The change in incurred losses and loss expenses presented in these loss development tables differs from other U.S. GAAP disclosures of prior year reserve development amounts, which include the effect of fluctuations in exchanges rates. 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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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9. REINSURANCE

In the normal course of business, the Company purchases facultative and treaty 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 following table presents gross and net premiums written and earned:

Year ended December 31,	2025		2024		2023	
	Premiums written	Premiums earned	Premiums written	Premiums earned	Premiums written	Premiums earned
Gross	\$ 9,644,514	\$ 9,038,161	\$ 9,005,888	\$ 8,529,567	\$ 8,356,525	\$ 7,973,577
Ceded	(3,522,858)	(3,323,552)	(3,248,537)	(3,223,332)	(3,254,200)	(2,889,796)
Net	\$ 6,121,656	\$ 5,714,609	\$ 5,757,351	\$ 5,306,235	\$ 5,102,325	\$ 5,083,781

For the year ended December 31, 2025, the Company recognized ceded losses and loss expenses of \$2,008 million (2024: \$2,039 million; 2023: \$1,754 million).

At December 31, 2025, the Company's reinsurance recoverable on unpaid and paid losses and loss expenses was \$9.6 billion (2024: \$7.4 billion).

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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9. REINSURANCE (CONTINUED)

At December 31, 2025, the Company's allowance for expected credit losses to be recognized over the life of the Company's reinsurance recoverables balance was \$40 million (2024: \$43 million; 2023: \$37 million).

The following table provides a reconciliation of the beginning and ending balances of the allowance for expected credit losses related to the Company's reinsurance recoverable balance:

Year ended December 31,	2025	2024
Beginning balance	\$ 43,445	\$ 36,611
Increase (decrease) in allowance for expected credit losses	(3,105)	6,834
Ending Balance	<u>\$ 40,340</u>	<u>\$ 43,445</u>

Loss Portfolio Transfer Reinsurance Agreement

On December 13, 2024, the Company entered into a LPT agreement with Enstar (refer to Note 8 '*Reserves for Losses and Loss Expenses*' and Note 18 '*Related Party Transactions*') to retrocede a portfolio of reinsurance business predominantly related to 2021 and prior underwriting years. The transaction was subject to regulatory approvals and other customary conditions and was completed on April 24, 2025.

The transaction is structured as a 75% ground-up quota share retrocession of net reserves for losses and loss expenses of approximately \$2,060 million for consideration of \$2,039 million and provides cover up to a policy limit of approximately \$940 million. Pursuant to the LPT agreement, the Company maintained responsibility for claims management subject to certain administrative rights of Enstar and entered into collateral agreements with the Reinsurer under which the Company may be obligated to maintain certain types of eligible assets as partial collateral securing the Reinsurer's obligations with respect to the Subject Business.

The transaction was deemed to have met the established criteria for retroactive reinsurance accounting.

AXIS CAPITAL HOLDINGS LIMITED
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10. DEBT AND FINANCING ARRANGEMENTS

a) Debt

The following table summarizes the Company's debt:

Year ended December 31,	2025		2024	
5.150% Senior Notes	\$	246,963	\$	246,873
4.000% Senior Notes		349,176		348,774
3.900% Senior Notes		298,057		297,556
Junior Subordinated Notes		422,514		421,976
Total Debt	\$	1,316,710	\$	1,315,179

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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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10. DEBT AND FINANCING ARRANGEMENTS (CONTINUED)

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 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, 2025.

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, 2025, the Company's interest expense of \$40 million (2024: \$40 million, 2023: \$40 million) is recorded in interest expense and financing costs in the consolidated statements of operations.

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, 2025, the Company incurred interest expense of \$21 million (2024: \$21 million, 2023: \$21 million).

Scheduled Debt Maturity

The following table provides the scheduled maturity of the Company's debt obligations at December 31, 2025:

Year ended December 31,	
2026	\$ —
2027	350,000
2028	—
2029	300,000
2030	—
After 2030	675,000
Unamortized discount and debt issuance expenses	(8,290)
Total senior notes and notes payable	\$ 1,316,710

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10. DEBT AND FINANCING ARRANGEMENTS (CONTINUED)

b) Loan Advances Made to a Third-Party Reinsurer

At December 31, 2022, a loan balance receivable from a third-party reinsurer of \$87 million was included in loan advances made in the consolidated balance sheet. During 2023, the Company advanced \$102 million to the third-party reinsurer. Loans balances receivable from the third-party reinsurer are settled against amounts due to the third-party reinsurer under retrocession agreements and are treated as a non-cash activity in the consolidated statement of cash flows. At December 31, 2025, \$1 million (2024: \$75 million, 2023: \$110 million) was repaid. At December 31, 2025, the loan balance receivable was \$3 million (2024: \$5 million, 2023: \$80 million). Loan advances made are expected to be repaid in full by February 15, 2026.

At December 31, 2023, the Company had committed to advance a further \$26 million to the third party reinsurer. During 2024, the third party reinsurer advised the Company that this advance was no longer required.

Interest on these loans was payable in 2025 at an interest rate of 5.4% (2024; 5.4%).

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 up 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 26, 2024, the \$500 million Facility was amended to reduce the committed utilization capacity available under the Facility to \$300 million (the "\$300 million Facility"), enter into an uncommitted secured letter of credit facility up to a maximum aggregate amount of \$200 million (the "\$200 million Facility") with Citibank, extend the tenors of issuable letters of credit to March 31, 2026 and make certain updates to the facility's collateral and fee arrangements.

On March 23, 2025, the \$300 million Facility was amended to extend the tenors of issuable letters of credit to March 31, 2027.

At December 31, 2025, letters of credit outstanding under the LOC Facility were \$226 million (2024: \$235 million). At December 31, 2025, the Participating Subsidiaries were in compliance with all LOC Facility covenants.

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10. DEBT AND FINANCING ARRANGEMENTS (CONTINUED)

On August 26, 2025, AXIS Corporate Capital UK II Limited (the "Borrower"), acting through AXIS Managing Agency Limited, as managing agent of Syndicate 1686 and Syndicate 2050 (collectively, the "Syndicates"), entered into a Facility Letter and Master Agreement (together, the "Agreements") with Citibank (the "Lender"), providing for an uncommitted unsecured letter of credit facility up to a maximum aggregate amount of \$90 million (the "\$90 million Facility") with tenors of issuable letters of credit to August 31, 2030. The facility is supported by a guarantee issued by AXIS Specialty Limited.

The letter of credit facility is intended to support the Borrower's obligations in connection with the Syndicates' participation in the Lloyd's insurance market, specifically its Funds at Lloyd's requirements. The facility contains customary representations, warranties, covenants, and events of default for transactions of this nature.

At December 31, 2025, letters of credit outstanding under the Agreements were \$80 million. At December 31, 2025, the Borrower was in compliance with all LOC Agreements covenants.

On October 8, 2025, AXIS Specialty Limited (the "Borrower"), entered into a Letter Agreement with Wells Fargo Bank, National Association (the "Bank"), providing for an uncommitted bilateral short-term line of credit facility up to a maximum aggregate amount of \$150 million (the "\$150 million Facility") with tenors of issuable letters of credit to October 7, 2026.

The \$150 million Facility is intended to support the Borrower's working capital requirements and general corporate expenses. The line of credit facility contains customary representations, warranties, covenants, and events of default for transactions of this nature.

At December 31, 2025, the line of credit facility was not drawn. At December 31, 2025, the Borrower was in compliance with all line of credit facility covenants.

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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, 2025, the companies had admitted assets of approximately \$3.6 billion (2024: \$3.2 billion) which provides borrowing capacity of up to approximately \$888 million (2024: \$798 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, 2025, the Company had borrowings under the FHLB program of \$66 million (2024: \$66 million). On September 11, 2024, the Company repaid borrowings under the FHLB program of \$10 million, at their stated maturity. On October 31, 2024, the Company repaid borrowings under the FHLB program of \$9 million, at their stated maturity.

The FHLB advances have maturities in 2026 (2024: 2025) and interest payable at interest rates between 3.9% and 4.6% (2024: 4.5% and 5.5%). For the year ended December 31, 2025, the Company's interest expense of \$3 million (2024: \$4 million; 2023: \$5 million) is recorded in interest expense and financing costs in the consolidated statements of operations. The borrowings under the FHLB program are secured by cash and investments with a fair value of \$74 million (2024: \$72 million).

AXIS CAPITAL HOLDINGS LIMITED
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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 \$13.4 billion or 39% 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 0.5% of its investment grade fixed maturities portfolio for securities rated below A-.

At December 31, 2025, 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.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

At December 31, 2025, the three largest balances by reinsurer accounted for 20%, 8% and 4% (2024: 12%, 7% and 5%) of reinsurance recoverable on unpaid and paid losses and loss expenses.

At December 31, 2025, amounts recoverable from reinsurers included 31% that is fully collateralized, 65% that is recoverable from reinsurers rated A- or higher by A.M. Best and 4% that is recoverable from reinsurers rated lower than A- by A.M. Best (2024: 17%, 81% and 2%, respectively).

(iii) Insurance and Reinsurance Premium Balances Receivable

The diversity of the Company's client base limits credit risk associated with its 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, 2025, the Company's premium balances receivable was \$3.2 billion (2024: \$2.8 billion).

At December 31, 2025, the Company's allowance for expected credit losses to be recognized over the life of the Company's premium balances receivable was \$16 million (2024: \$17 million). The following table provides a reconciliation of the beginning and ending balances of the allowance for expected credit losses related to the Company's premiums balances receivable:

Year ended December 31,	2025	2024
Beginning balance	\$ 17,339	\$ 11,997
Increase (decrease) in allowance for expected credit losses	(1,518)	5,342
Ending balance	<u>\$ 15,821</u>	<u>\$ 17,339</u>

For the year ended December 31, 2025, bad debt expense was \$1 million (2024: \$3 million; 2023: \$2 million).

b) Brokers

The Company produces business through brokers.

For the year ended December 31, 2025, 2024 and 2023, three brokers accounted for 37%, 38% and 38% of gross premiums written, respectively. Marsh & McLennan Companies Inc. accounted for 13% (2024: 14%, 2023: 14%), Aon plc accounted for 13% (2024: 14%, 2023: 15%), and Arthur J. Gallagher & Co. accounted for 11% (2024: 10%, 2023: 9%).

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.

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12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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, 2025, the Company had outstanding reinsurance purchase commitments of \$10 million (2024: \$nil). 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.

e) Investments

At December 31, 2025, the Company has \$683 million (2024: \$526 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, 2025, the Company has \$3 million (2024: \$9 million) of unfunded investment commitments to purchase commercial mortgage loans and \$403 million (2024: \$94 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. 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 UK.

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.

At December 31, 2025, investments and cash of \$1,070 million (2024: \$883 million) were restricted to satisfy the Company's FAL requirements (refer to Note 5 '*Investments*' and Note 22 '*Statutory Financial Information*').

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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,	2025	2024	2023
Lease cost:			
Operating lease expense	\$ 17,199	\$ 17,273	\$ 21,499
Short-term lease expense ⁽¹⁾	1,445	781	2,291
Sublease income ⁽²⁾	(3,138)	(4,554)	(4,531)
Total lease expense	<u>\$ 15,506</u>	<u>\$ 13,500</u>	<u>\$ 19,259</u>
Other information:			
Operating cash outflows from operating leases	\$ 17,960	\$ 17,035	\$ 20,190
Right-of-use assets obtained in exchange for new operating lease liabilities ⁽³⁾	\$ 13,391	\$ (3,209)	\$ 34,988
Weighted-average remaining lease term - operating leases ⁽⁴⁾	8.7 years	9.3 years	9.8 years
Weighted-average discount rate - operating lease ⁽⁵⁾	5.0%	4.9 %	4.4 %

- (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 Chicago, Alpharetta and London.
- (3) In 2024, the Company modified a lease agreement to reflect an increase in lease payments for its office property in London, terminated a lease agreement for its office property in Singapore and entered into a new lease agreement for an office property with a reduced floor in Singapore.
- (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.

AXIS CAPITAL HOLDINGS LIMITED
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13. LEASES (CONTINUED)

The following table presents the scheduled maturity of the Company's operating lease liabilities at December 31, 2025:

Year ended December 31,	Expected cash flows
2026	\$ 16,937
2027	15,735
2028	14,984
2029	14,986
2030	14,964
Later years	58,714
Discount	(26,225)
Total discounted operating lease liabilities	\$ 110,095

The following table presents the scheduled maturity of the Company's operating lease liabilities at December 31, 2024:

Year ended December 31,	Expected cash flows
2025	\$ 17,787
2026	15,181
2027	13,026
2028	12,283
2029	12,280
Later years	62,663
Discount	(26,606)
Total discounted operating lease liabilities	\$ 106,614

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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,	2025	2024	2023
Earnings per common share			
Net income	\$ 1,008,898	\$ 1,081,786	\$ 376,292
Less: Preferred share dividends	30,250	30,250	30,250
Net income available to common shareholders	\$ 978,648	\$ 1,051,536	\$ 346,042
Weighted average common shares outstanding	78,192	84,165	85,142
Earnings per common share	\$ 12.52	\$ 12.49	\$ 4.06
Earnings per diluted common share			
Net income available to common shareholders	\$ 978,648	\$ 1,051,536	\$ 346,042
Weighted average common shares outstanding	78,192	84,165	85,142
Share-based compensation plans	1,074	1,011	870
Weighted average diluted common shares outstanding	79,266	85,176	86,012
Earnings per diluted common share	\$ 12.35	\$ 12.35	\$ 4.02
Weighted average anti-dilutive shares excluded from the dilutive computation	14	192	405

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,	2025	2024	2023
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	(93,596)	(91,294)	(91,912)
Shares repurchased	(9,616)	(3,061)	(398)
Shares reissued	767	759	1,016
Total treasury shares at end of year	(102,445)	(93,596)	(91,294)
Total shares outstanding	74,135	82,984	85,286

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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. At June 30, 2024, authorization under this plan was exhausted.

On May 16, 2024, the Company's Board of Directors approved a new share repurchase program for up to \$300 million of the Company's common shares. This share repurchase program was open-ended, allowing the Company to repurchase its shares from time to time in the open market or privately negotiated transactions, depending on market conditions. On February 6, 2025, authorization under this plan was exhausted.

On February 19, 2025, the Company's Board of Directors approved a new share repurchase program for up to \$400 million of the Company's common shares. This share repurchase program was open-ended, allowing the Company to repurchase its shares from time to time in the open market or privately negotiated transactions, depending on market conditions. On September 3, 2025, authorization under this plan was exhausted.

On September 17, 2025, the Company's Board of Directors approved a new share repurchase program for up to \$400 million of the Company's common shares. The new share repurchase program is open-ended, allowing the Company to repurchase its shares from time to time in the open market or privately negotiated transactions, depending on market conditions.

The following table presents common shares repurchased from shares held in Treasury:

Year ended December 31,	2025	2024	2023
Publicly announced programs: ⁽¹⁾			
Total shares	9,342	2,806	—
Total cost	\$ 887,717	\$ 199,943	\$ —
Average price per share ⁽²⁾	<u>\$ 95.02</u>	<u>\$ 71.27</u>	<u>\$ —</u>
From employees:⁽³⁾			
Total shares	274	255	398
Total cost	\$ 26,559	\$ 15,925	\$ 23,596
Average price per share ⁽²⁾	<u>\$ 96.80</u>	<u>\$ 62.45</u>	<u>\$ 59.15</u>
Total shares repurchased:			
Total shares	9,616	3,061	398
Total cost	\$ 914,276	\$ 215,868	\$ 23,596
Average price per share ⁽²⁾	<u>\$ 95.07</u>	<u>\$ 70.53</u>	<u>\$ 59.15</u>

(1) Shares are repurchased pursuant to the Company's Board-authorized share repurchase programs.

(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.

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15. SHAREHOLDERS' EQUITY (CONTINUED)

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.

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, 2025			
Common shares	\$ 1.76	\$ 1.32	\$ 0.44
Series E preferred shares	\$ 137.50	\$ 103.13	\$ 34.38
Year ended December 31, 2024			
Common shares	\$ 1.76	\$ 1.32	\$ 0.44
Series E preferred shares	\$ 137.50	\$ 103.13	\$ 34.38
Year ended December 31, 2023			
Common shares	\$ 1.76	\$ 1.32	\$ 0.44
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, 2025, total pension expenses were \$36 million (2024: \$35 million and 2023: \$35 million) for the above retirement benefit.

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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, 2025, 2,129,781 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.

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 2021 and subsequent years with a market condition were measured on the grant date using a Monte Carlo simulation model. The grant date fair value of performance restricted stock units granted in 2024 and subsequent years with a performance condition was determined based on the closing price of the Company's common shares on the grant date.

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.

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.

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 their outstanding restricted stock units or performance restricted stock units on or following their retirement. Absent the Plan, outstanding restricted stock units are generally forfeited on termination of employment.

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17. SHARE-BASED COMPENSATION (CONTINUED)

a) Performance Restricted Stock Units

Performance Restricted Stock Units granted in with a market condition

Certain share-settled performance restricted stock units 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 with a performance condition

Certain share-settled performance restricted stock units include a performance condition which is the Company's average annual growth in book value per diluted common share, plus accumulated dividends over the performance period, adjusted to exclude unrealized investment gains (losses) recognized in accumulated other comprehensive income (loss), and share repurchases during the performance period ("Adjusted DBVPS"). Adjusted DBVPS 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 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, 50% of these awards will vest at the end of a one-year performance period, and the remaining 50% 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, 2023 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 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.

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17. SHARE-BASED COMPENSATION (CONTINUED)

Valuation assumptions

Performance Restricted Stock Units granted with a market condition

The fair values of these performance restricted stock units 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,	2025	2024	2023 ⁽¹⁾	2023 ⁽²⁾	2023 ⁽³⁾
Expected volatility	25.30%	26.00%	36.24%	29.30%	30.05%
Expected term (in years)	3.0	3.0	3.0	1.0	3.0
Expected dividend yield	n/a	n/a	n/a	n/a	n/a
Risk-free interest rate	4.16%	4.06%	3.79%	4.61%	3.39%

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, Ending share price and Expected term

Performance restricted stock units granted in 2025 and 2024

The beginning share price for awards was based on the average closing share price over the 30 trading days preceding and including the start of the performance period. The ending share price was based on the average projected closing share price over the 30 trading days preceding and including the end of the performance period. Performance for awards granted in 2025 is measured from January 1, 2025 to December 31, 2027, and performance for awards granted in 2024 is measured from January 1, 2024 to December 31, 2026.

Performance restricted stock units granted in 2023, and performance restricted stock units granted in the three months ended March 31, 2023 in relation to senior leadership transition

The beginning share price for awards was based on the average closing share price over the 10 trading days preceding and including the start of the performance period. The ending share price was based on the projected average closing share price over the 10 trading days preceding and including the end of the performance period. 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 being measured from January 1, 2023 to December 31, 2023.

Performance restricted stock units granted in the three months ended June 30, 2023 in relation to senior leadership transition

The beginning share price for awards was based on the average closing share price over the 30 trading days preceding and including the start of the performance period. The ending share price of the awards was based on the average closing share price over the 30 trading days preceding and including the end of the performance period. Performance for awards is being measured from May 4, 2023 to May 4, 2026.

Expected volatility

The expected volatility was estimated based on the Company's historical share price volatility.

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.

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17. SHARE-BASED COMPENSATION (CONTINUED)

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 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.

Performance Restricted Stock Units granted with a performance condition

The fair value of performance restricted stock units is determined based on the closing price of the Company's common shares on the grant date, and compensation expense 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, 2023	144	\$ 65.69	1,855	\$ 55.21
Granted	104	65.77	748	60.50
Vested	—	—	(759)	54.65
Forfeited	(1)	65.78	(202)	56.66
Nonvested restricted stock units - December 31, 2024	247	65.73	1,642	57.73
Granted	89	98.22	625	91.01
Performance adjustment ⁽¹⁾	55	68.63	—	—
Vested	(115)	68.63	(653)	57.00
Forfeited	(5)	86.55	(147)	67.73
Nonvested restricted stock units - December 31, 2025	271	\$ 75.43	1,467	\$ 71.25

(1) The performance adjustment represents the difference between the number of performance restricted stock units granted and earned following the three-year performance period that ended in 2024. The performance restricted stock units were granted at the target level of achievement.

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17. SHARE-BASED COMPENSATION (CONTINUED)

The following table provides additional information related to share-based compensation:

Year ended December 31,	2025	2024	2023
Share-based compensation expense	\$ 45,222	\$ 42,713	\$ 57,729
Tax benefits associated with share-based compensation expense	\$ 12,578	\$ 8,007	\$ 8,819
Fair value of restricted stock units vested ⁽¹⁾	\$ 74,229	\$ 46,884	\$ 64,156
Unrecognized share-based compensation expense	\$ 70,971	\$ 60,192	\$ 62,416
Expected weighted average period associated with the recognition of unrecognized share-based compensation expense	2.3 years	2.4 years	2.4 years

(1) Fair value is based on the closing price of the Company's common shares on the vest date.

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18. RELATED PARTY TRANSACTIONS

Related Party Transactions with Stone Point Capital, LLC ("Stone Point")

A member of the Company's Board of Directors, Mr. Charles Davis, is the Co-Chief Executive Officer of Stone Point Capital, LLC ("Stone Point"). In the ordinary course of business, the Company engaged SKY Harbor Capital Management, LLC, which was 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. During 2025, Trident V, sold its ownership of SKY Harbor Capital Management, LLC to an unaffiliated asset manager. For the year ended December 31, 2025, total fees paid to SKY Harbor Capital Management, LLC, were \$1 million (2024: \$3 million; 2023: \$3 million).

In addition, the Company has an investment of \$2 million (2024: \$3 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, 2025, fees paid to Freedom were \$nil (2024: \$nil; 2023: \$1 million).

The Company has an investment of \$79 million (2024: \$92 million) in Stone Point's private equity fund, Trident VIII, L.P. ("Trident VIII") and co-investments of \$25 million (2024: \$30 million) with Trident VIII. For the year ended December 31, 2025, fees paid to Stone Point in relation to Trident VIII were \$2 million (2024: \$4 million; 2023: \$2 million).

The Company has an investment of \$53 million (2024: \$39 million) in Stone Point's private equity fund, Trident IX, L.P. ("Trident IX"). For the year ended December 31, 2025, fees paid to Stone Point in relation to Trident IX were \$2 million (2024: \$3 million; 2023: \$1 million).

The Company has an investment of \$47 million (2024: \$48 million) with Rialto Real Estate IV-Property ("Rialto") and co-investments of \$17 million (2024: \$23 million) managed by Rialto, which is a portfolio company of Stone Point's private equity fund, Trident VII, L.P. ("Trident VII"). For the year ended December 31, 2025, fees paid to Rialto were \$0.3 million (2024: \$2 million; 2023: \$2 million).

The Company has an investment of \$20 million (2024: \$18 million) in Stone Point Credit Corporation. For the year ended December 31, 2025, fees paid to Stone Point in relation to Stone Point Credit Corporation were \$0.7 million (2024: \$0.5 million; 2023: \$0.5 million).

The Company previously had an investment of \$18 million in Stone Point Credit Corporation bonds. These bonds were repaid in full during the year ended December 31, 2025. For the year ended December 31, 2025, the Company earned income of \$1 million (2024: \$1 million; 2023: \$1 million) in relation to this bond.

The Company has an investment of \$7 million (2024: \$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, 2025, the Company earned income of \$0.6 million (2024: \$0.7 million; 2023: \$0.5 million) in relation to this loan.

The Company has an investment of \$65 million in separately managed accounts ("SMAs") that are managed by Eagle Point. For the year ended December 31, 2025, fees paid to Eagle Point in relation to the SMAs were less than \$0.1 million.

The Company has an investment of \$371 million in a collateralized loan obligation ("CLO") investment account that is managed by Eagle Point. For the year ended December 31, 2025, fees paid to Eagle Point in relation to this investment account were \$0.1 million.

The Company has an investment of \$8 million in a SMA that is managed by Stone Point Credit LLC. For the year ended December 31, 2025, the fees paid to Stone Point Credit LLC were less than \$0.1 million.

The Company has an investment of \$6 million (2024: \$6 million) in cumulative preferred shares of Aspida Holdings Ltd. ("Aspida"). The investment was syndicated to the Company by Stone Point Credit Corporation. For the year ended December 31, 2025 and 2024, the Company did not pay any fees to Aspida.

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18. RELATED PARTY TRANSACTIONS (CONTINUED)

Commitments

At December 31, 2025, the Company had up to \$53 million (2024: \$60 million) of unfunded commitments to the Stone Point Credit LLC SMA.

At December 31, 2025, the Company had up to \$25 million (2024: \$25 million) of unfunded commitments to Stone Point's private equity fund, Trident X L.P. ("Trident X").

At December 31, 2025, the Company had up to \$8 million (2024: \$8 million) of unfunded commitments to Stone Point's private equity fund, Trident VIII.

At December 31, 2025, the Company had up to \$11 million (2024: \$20 million) of unfunded commitments to Stone Point's private equity fund, Trident IX.

At December 31, 2025, the Company had up to \$185 million of unfunded commitments to the Eagle Point SMA.

Stock Repurchase Agreements with Stone Point

On February 3, 2025, the Company entered into a stock repurchase agreement with T-VIII PubOpps LP ("T8"), an investment vehicle managed by Stone Point, pursuant to which T8 agreed to sell 2,234,636 shares to the Company for an aggregate price of approximately \$200 million.

On March 5, 2025, the Company entered into a stock repurchase agreement with T8, pursuant to which T8 agreed to sell 2,139,037 shares to the Company for an aggregate price of approximately \$200 million.

On November 19, 2025, the Company entered into a stock repurchase Agreement with T8, pursuant to which T8 agreed to sell 2,404,133 shares to the Company for an aggregate price of approximately \$238 million.

Loss Portfolio Transfer Reinsurance Agreement with Enstar

On December 13, 2024, the Company entered into a LPT agreement with Enstar (refer to Note 8 'Reserves for Losses and Loss Expenses' and Note 9 'Reinsurance') to retrocede a portfolio of reinsurance business predominantly related to 2021 and prior underwriting years. The transaction was subject to regulatory approvals and other customary conditions and was completed on April 24, 2025.

Stone Point serves as the manager of Trident V, L.P., Trident V Parallel Fund, L.P. and Trident V Professionals Fund, L.P. (collectively, "Trident V Funds"), that indirectly held an aggregate ownership interest of approximately 9.5% in Enstar at December 31, 2024.

On July 2, 2025, in connection with the acquisition of Enstar by investment vehicles managed or advised by affiliates of Sixth Street Partners LLC., all ordinary shares held by the Trident V Funds in Enstar were converted into the right to receive cash, without interest. In addition, affiliates and managed funds of Stone Point Credit Adviser LLC, together with certain co-investors, purchased preferred equity interests in a parent entity of Enstar with a liquidation preference of \$175 million. This preferred equity interest represents a senior, fixed-value investment and does not confer a controlling interest in the parent entity or any of its subsidiaries, including Enstar.

Retrocession Agreement with Monarch Point Re

Refer to Note 5 'Investments'

Loan Advances Made to Monarch Point Re

Refer to Note 5 'Investments'

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18. RELATED PARTY TRANSACTIONS (CONTINUED)

Significant Influence considerations

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, 2025, the Company has \$532 million (2024: \$448 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 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.

Harrington Re

Retrocession Agreement with Harrington Re

Refer to Note 5 'Investments'

Harrington Notes

On June 29, 2021, the Company invested \$10 million in 7.25% fixed to floating rate, senior unsecured notes ("Harrington Notes") due 2031, issued by Harrington. On June 29, 2024, the Harrington Notes were fully redeemed.

19. REORGANIZATION EXPENSES

For the year ended December 31, 2025, reorganization expenses were \$nil (2024: \$26 million and 2023: \$29 million).

In 2024, reorganization expenses were primarily related to severance costs attributable to the Company's "How We Work" program.

In 2023, reorganization expenses were primarily related to impairments of computer software assets and severance costs attributable to the Company's "How We Work" program which is focused on simplifying the Company's operating structure.

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20. INCOME TAXES

On December 27, 2023, the Bermuda government enacted the Corporate Income Tax Act 2023 (the "Act") which applies a corporate income tax for fiscal years beginning on or after January 1, 2025. Under the Corporate Income Tax Act 2023 of Bermuda, any liability to the tax applies regardless of any assurances previously provided under the Exempted Undertakings Tax Protection Act 1966 of Bermuda. The Act includes a provision referred to as the economic transition adjustment ("Bermuda ETA"), which is intended to provide a fair and equitable transition into the tax regime. Pursuant to the Act and subsequently issued guidance, the Company recorded a net deferred tax asset of \$177 million in 2024.

On December 11, 2025, the Bermuda government enacted the Corporate Income Tax Amendment (No. 2) Act 2025 (the "Amendment Act") which provided technical corrections to the Act. The Amendment Act includes a provision to allow for derecognition of deferred tax liabilities where a Bermuda tax group recognized both deferred tax assets and deferred tax liabilities under the Bermuda ETA. Pursuant to the Amendment Act, the Company released \$19 million of deferred tax liabilities previously established under the Bermuda ETA in 2025.

AXIS Specialty Insurance Bermuda (refer to Note 1 '*Organization*'), a wholly owned subsidiary of AXIS Specialty U.S. Holdings, Inc, made an election to be treated as a U.S. taxpayer under section 953(d) of the Internal Revenue Code of 1986, as amended ("U.S. Internal Revenue Code"). AXIS Specialty Insurance Bermuda is subject to tax in the U.S. beginning tax year 2024 and in Bermuda beginning tax year 2025. Any U.S. tax incurred as a result of this election is eligible to be fully creditable against the Bermuda corporate income tax.

AXIS Capital's primary Bermuda subsidiary has an operating branch in Singapore, which is subject to the relevant taxes in that jurisdiction. The Company is currently in the process of winding down regulated operations in Singapore. The Singapore branch is not under examination in that tax jurisdiction but remains subject to examination for tax years 2022 through 2025.

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. Should the U.S. subsidiaries pay a dividend outside the U.S. tax group, withholding taxes will apply. The U.S. subsidiaries are subject to examination for tax years 2022 through 2025. An Internal Revenue Service ("IRS") examination of the U.S. group was completed in 2025 with respect to tax years 2019, 2021, and 2022 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 2021 through 2025.

AXIS Capital has subsidiaries in Ireland, the U.K., and Brazil with branches in the U.K., Switzerland, and Belgium. These subsidiaries and their branches are not under examination but remain subject to examination in all applicable jurisdictions for tax years 2021 through 2025.

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.

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20. INCOME TAXES (CONTINUED)

The following table provides an analysis of income tax expense (benefit) and net tax assets:

Year ended December 31,	2025	2024	2023
Current income tax expense (benefit)			
U.S.	\$ 95,565	\$ 84,255	\$ 12,021
Europe	40,245	19,260	32,386
Bermuda	42,464	3,425	291
Deferred income tax expense (benefit)			
U.S.	(55,000)	716	(24,042)
Europe	47,017	7,290	18,932
Bermuda ⁽¹⁾	46,441	(170,541)	(13,272)
Total income tax expense (benefit)	\$ 216,732	\$ (55,595)	\$ 26,316
Net current tax receivables (payables)	\$ (9,907)	\$ 42,991	\$ 78,570
Net deferred tax assets (liabilities)	176,726	278,474	72,850
Net tax assets	\$ 166,819	\$ 321,465	\$ 151,420

(1) 2024 reflects the recognition of a tax benefit related to the Bermuda ETA, offset by a partial reversal of the 2023 tax benefit on unrealized investment losses included in other comprehensive income (loss) due to the enactment of corporate income tax, effective January 1, 2025. 2025 reflects Bermuda ETAs including the amortization of \$19 million of deferred tax assets offset by the derecognition of \$19 million of deferred tax liabilities pursuant to the Amendment Act.

The following table provides an analysis of income taxes paid disaggregated by jurisdiction, following the adoption of Accounting Standards Update ("ASU") 2023-09:

Year ended December 31,	2025
Jurisdiction	Income taxes paid (net of refunds)
Federal (Bermuda)	\$ 1,000
Foreign	
United States	96,637
United Kingdom	12,685
Canada	8,093
Ireland	6,980
Other foreign jurisdictions	1,448
Total income tax expense (benefit)	\$ 126,843

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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,	2025	2024
Deferred tax assets:		
Discounting of net reserves for losses and loss expenses	\$ 60,852	\$ 66,338
Unearned premiums	69,113	62,656
Net unrealized investments losses	—	36,536
Operating and capital loss carryforwards	54,923	75,864
Accruals not currently deductible	40,826	36,253
Tax credits	12,601	2,414
Bermuda economic transition adjustment ⁽¹⁾	176,759	176,923
Other deferred tax assets	3,742	3,681
Deferred tax assets before valuation allowance	418,816	460,665
Valuation allowance	(7,591)	(19,829)
Deferred tax assets net of valuation allowance	411,225	440,836
Deferred tax liabilities:		
Deferred acquisition costs	(50,832)	(35,401)
Net unrealized investments gains	(9,807)	—
Other investment adjustments and impairments	(6,104)	(7,933)
Intangible assets	(45,034)	(47,355)
Depreciation and amortization	(1,450)	(7,586)
Equalization reserves	(2,140)	(2,347)
Lloyd's deferred year of account results	(114,124)	(51,770)
Other deferred tax liabilities	(5,008)	(9,970)
Deferred tax liabilities	(234,499)	(162,362)
Net deferred tax assets (liabilities)	\$ 176,726	\$ 278,474

(1) At December 31, 2025, the Bermuda ETA includes amortization of \$19 million of deferred tax assets offset by the derecognition of \$19 million of deferred tax liabilities pursuant to the Amendment Act.

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20. INCOME TAXES (CONTINUED)

The following table summarizes total operating and capital loss carryforwards and tax credits:

At December 31,	2025	2024
Operating and Capital Loss Carryforwards⁽¹⁾		
Singapore operating loss carryforward	\$ 55,914	\$ 91,924
U.K. operating loss carryforward	182,348	216,928
U.K. capital loss carryforward	93	93
Ireland operating loss carryforward	—	27
Ireland capital loss carryforward	835	1,372
Switzerland operating loss carryforward ⁽²⁾	—	68,573
U.S. capital loss carryforward ⁽³⁾	16,932	59,434
Tax Credits⁽⁴⁾		
Ireland foreign tax credit	\$ —	\$ 333
U.K. foreign tax credit	643	504
U.S. foreign tax credit ⁽⁴⁾	11,957	1,577

(1) At December 31, 2025, the Singapore, U.K., and Ireland operating and capital loss carryforwards and tax credits can be carried forward indefinitely.

(2) At December 31, 2025, the Swiss net operating losses were fully utilized.

(3) At December 31, 2025, the U.S. capital loss carryforwards expire in 2030.

(4) At December 31, 2025, the U.S. foreign tax credits expire in 2034.

The following table shows an analysis of the movement in the Company's valuation allowance:

At December 31,	2025	2024
Income tax expense (benefit):		
Valuation allowance - beginning of year	\$ 17,221	\$ 31,688
Operating loss carryforwards	(8,476)	(6,572)
Foreign tax credit	(333)	(6,589)
U.K. branch assets and other foreign rate differentials	756	(1,567)
Capital loss carryforwards and impaired investments	(111)	261
Valuation allowance - end of year	\$ 9,057	\$ 17,221
Accumulated other comprehensive income (loss):		
Valuation allowance - beginning of year	\$ 2,608	\$ 7,023
Change in investment - related items	(4,074)	(4,415)
Valuation allowance - end of year	(1,466)	2,608
Total valuation allowance - end of year	\$ 7,591	\$ 19,829

At December 31, 2025 and 2024, the Company had a full valuation allowance on operating loss carryforwards relating to operations in Singapore and Ireland and certain other deferred tax assets related to branch operations.

AXIS CAPITAL HOLDINGS LIMITED
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20. INCOME TAXES (CONTINUED)

In 2025, the valuation allowance decreased by \$12 million (2024: \$19 million). In 2025, the net gain incurred by AXIS Re Europe, the Swiss branch of the Irish reinsurance company, resulted in the release of a valuation allowance of \$8 million against the net deferred tax assets of which \$4 million was released in net income (loss) and \$4 million was released in other comprehensive income (loss).

In 2024, the net gain incurred by AXIS Re SE, the Irish reinsurance company, resulted in the release of a valuation allowance of \$13 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 \$8 million was released in net income (loss) and \$5 million was released in other comprehensive income (loss). In 2025, the remaining \$0.3 million valuation allowance was fully released against foreign tax credits held by AXIS Specialty Europe. In 2024, a valuation allowance of \$7 million was released against foreign tax credits held by AXIS Specialty Europe

At December 31, 2025 and 2024, the Company's U.S. operations had a deferred tax asset of \$1 million and \$19 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.

At December 31, 2025 and 2024, the Company's Bermuda operations had a deferred tax liability of \$11 million and a deferred tax asset of \$17 million, respectively, for the unrealized gains (losses) on its fixed maturities that were recorded in other comprehensive income (loss). Due to the net unrealized investment gains in Bermuda, a valuation allowance was not required.

At December 31, 2025 and 2024, the Company's Bermuda operations had a deferred tax asset of \$177 million related to the Bermuda ETA. The Company examined the need for a valuation allowance and after considering all positive and negative evidence concluded a valuation allowance against this asset in Bermuda 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, 2025 and 2024, there were no unrecognized tax benefits.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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 15% under Bermuda law to income before income taxes, following the adoption of ASU 2023-09:

Year ended December 31, 2025	Amount	Percent
Income (loss) before income taxes		
Bermuda (domestic)	\$ 586,113	
Foreign	<u>639,517</u>	
Total income before income taxes	<u>\$ 1,225,630</u>	
Bermuda Federal Statutory Rate	\$ 183,844	15.0%
State and Local Income Taxes	—	0.0%
Foreign Tax Effects		
United States		
Statutory tax rate difference between United States and Bermuda	10,915	0.9%
U.S. tax on insurance income	84,093	6.9%
Other	(1,791)	(0.1%)
United Kingdom		
Statutory tax rate difference between United Kingdom and Bermuda	31,401	2.5%
Other	(5,638)	(0.5%)
Other Foreign Jurisdictions	(7,794)	(0.6%)
Effect of changes in tax laws or rates enacted in the current period ⁽¹⁾	(18,782)	(1.5%)
Effect of cross-border tax laws	—	0.0%
Tax Credits	(68,281)	(5.6%)
Changes in valuation allowances	—	—%
Nontaxable or nondeductible items	1,943	0.2%
Changes in unrecognized tax benefits	—	0.0%
Other Adjustments	<u>6,822</u>	<u>0.5%</u>
Actual tax rate	<u>216,732</u>	<u>17.7%</u>

(1) At December 31, 2025, the effects of changes in tax laws or rates enacted in the current period reflects the release of \$19 million of Bermuda ETA deferred tax liabilities pursuant to the Amendment Act.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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 prior to the adoption of issuance of ASU 2023-09:

Year ended December 31,	2024	2023
Income (loss) before income taxes		
Bermuda (domestic)	\$ 323,688	\$ 213,539
Foreign	702,503	189,067
Total income before income taxes	<u>\$ 1,026,191</u>	<u>\$ 402,606</u>
Reconciliation of effective tax rate (% of income before income taxes)		
Expected tax rate	0.0%	0.0%
Foreign taxes at local expected rates:		
U.S.	8.4%	(2.5%)
Europe	6.0%	11.9%
Valuation allowance	(1.4%)	(2.0%)
Prior year adjustments	(1.5)%	1.3%
Incremental branch taxes	1.1 %	0.9%
Change in enacted tax rate ⁽¹⁾	(1.9%)	(3.3%)
Bermuda economic transition adjustment	(17.2)%	— %
Change in unrealized investment gain/(loss)	0.6 %	— %
Withholding tax	0.3 %	— %
Other	0.2%	0.2%
Actual tax rate	<u>(5.4%)</u>	<u>6.5%</u>

(1) At December 31, 2024, the change in enacted tax rate represents the rate change related to deferred tax assets and deferred tax liabilities on acquisition adjustments no longer required. At December 31, 2023, the change in enacted tax rate represents the enactment of the Act related to unrealized investment losses included in other comprehensive income (loss).

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023

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, 2025			
Available for sale investments:			
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has not been recognized	\$ 309,671	\$ (57,660)	\$ 252,011
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has been recognized	(483)	63	(420)
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income	35,803	(5,787)	30,016
Unrealized gains (losses) arising during the year, net of reclassification adjustment	344,991	(63,384)	281,607
Foreign currency translation adjustment	14,381	—	14,381
Total other comprehensive income (loss), net of tax	\$ 359,372	\$ (63,384)	\$ 295,988
Year ended December 31, 2024			
Available for sale investments:			
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has not been recognized	\$ (44,964)	\$ 11,934	\$ (33,030)
Unrealized gains (losses) arising during the year for which an allowance for expected credit losses has been recognized	(278)	30	(248)
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income	170,984	(15,664)	155,320
Unrealized gains (losses) arising during the year, net of reclassification adjustment	125,742	(3,700)	122,042
Foreign currency translation adjustment	(23,763)	—	(23,763)
Total other comprehensive income (loss), net of tax	\$ 101,979	\$ (3,700)	\$ 98,279
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	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

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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,		
		2025	2024	2023
Unrealized gains (losses) on available for sale investments				
	Other realized and unrealized investment gains (losses)	\$ (33,535)	\$ (170,576)	\$ (129,567)
	Impairment losses	(2,268)	(408)	(12,757)
	Total before tax	(35,803)	(170,984)	(142,324)
	Income tax (expense) benefit	5,787	15,664	13,811
	Net of tax	<u>\$ (30,016)</u>	<u>\$ (155,320)</u>	<u>\$ (128,513)</u>

(1) Amounts in parentheses are charges to net income (loss).

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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		Ireland		U.S.	
	2025	2024	2025	2024	2025	2024
Required statutory capital and surplus	\$ 2,111,743	\$ 1,982,025	\$ 662,931	\$ 733,689	\$ 502,661	\$ 675,672
Available statutory capital and surplus	\$ 4,396,966	\$ 4,475,219	\$ 1,068,054	\$ 1,197,127	\$ 1,879,213	\$ 2,483,658

Bermuda

Under the Insurance Act 1978, amendments thereto and related regulations of Bermuda (the "Insurance Act"), the Company's Bermuda subsidiaries, AXIS Specialty Bermuda and AXIS Specialty Insurance Bermuda are 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 based on an Economic Balance Sheet ("EBS") framework and is calculated using a standard risk-based capital model developed by the Bermuda Monetary Authority ("BMA").

At December 31, 2025 and 2024, the required and available statutory capital and surplus were based on this EBS framework.

Under the Act, the Company's Bermuda subsidiaries are 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, 2025, the maximum dividend the Company's Bermuda subsidiaries could pay, without a signed affidavit, having met minimum levels of statutory capital and surplus requirements, was approximately \$941 million (2024: \$958 million).

Ireland

The Company's Irish subsidiaries, AXIS Specialty Europe and AXIS Re SE, are required to continuously maintain the Minimum Capital Requirement ("MCR") and the Solvency Capital Requirement ("SCR"). The capital requirements are calculated by reference 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") 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 2025 and 2024, 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. In addition, a target coverage ratio range of excess eligible own funds to SCR is set by

AXIS CAPITAL HOLDINGS LIMITED
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22. STATUTORY FINANCIAL INFORMATION (CONTINUED)

the Company's Irish subsidiaries to ensure their ability to absorb stress events without breaches of required capital levels. Own Fund balances in excess of the target coverage ratio range may be considered for distribution back to Group.

At December 31, 2025, the maximum dividend the Company's Irish subsidiaries could pay, having met their target solvency and capital requirements was approximately \$74 million (2024: \$97 million).

United States

The Company's U.S. subsidiaries 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 domiciliary states are 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. 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. 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, 2025, the maximum dividend that the Company's U.S. subsidiaries could pay without regulatory approval was approximately \$186 million (2024: \$344 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. AXIS Corporate Capital UK II Limited provides 100% capital support to Syndicate 1686 for underwriting activities effective January 1, 2025. AXIS Corporate Capital UK Limited and AXIS Corporate Capital UK II Limited provided 70% and 30% capital support, respectively, to Syndicate 1686's through December 31, 2024. AXIS Corporate Capital UK II Limited also provides 100% capital support to Syndicate 2050. Syndicate 1686 and Syndicate 2050 are 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 membership subscriptions, contributions to the Lloyd's Central Fund and assets that must be deposited with Lloyd's in support of members' 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 UK.

FAL may be satisfied by cash, certain investments and letters of credit provided by approved banks. At December 31, 2025, fixed maturities and short-term investments with a fair value of \$175 million (2024: \$328 million) and cash of \$3 million (2024: \$4 million), respectively, were restricted to satisfy AXIS Corporate Capital UK Limited FAL requirements.

At December 31, 2025, fixed maturities and short-term investments with a fair value of \$849 million (2024: \$424 million), equity securities with a fair value of \$36 million (2024: \$27 million), a letter of credit for \$80 million (2024: \$nil), and cash of \$8 million (2024: \$99 million) were restricted to satisfy AXIS Corporate Capital UK II Limited FAL requirements (refer to Note 5 'Investments' and Note 12 'Commitments and Contingencies').

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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22. STATUTORY FINANCIAL INFORMATION (CONTINUED)

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, 2025 and 2024, actual capital and assets exceeded the FAL requirements for Syndicate 1686 and Syndicate 2050.

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. 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, 2025 and 2024, 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 \$0.9 billion, \$1.0 billion, and \$471 million for 2025, 2024 and 2023, 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.

23. SUBSEQUENT EVENTS

Share Repurchase program

On February 26, 2026, the Company's Board of Directors approved a new share repurchase program for up to \$300 million of the Company's common shares. The new share repurchase program is open-ended, allowing the Company to repurchase its shares from time to time in the open market or privately negotiated transactions, depending on market conditions.

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, 2025. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, at December 31, 2025, 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, 2025. 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, 2025, 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, 2025. 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 December 31, 2025. 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, 2025 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, 2025, 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, 2025, 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, 2025, of the Company and our report dated February 27, 2026, 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, 2026

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, 2025, 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, 2025, 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*", "*Executive Officers*", and "*Other Compensation Topics*" 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, 2025 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, 2025 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, 2025 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, 2025 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, 2025 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
<u>2.1</u>	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).
<u>2.2</u>	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 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).
- *10.3 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).
- *10.4 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).

- *10.5 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).
- *10.6 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).
- *10.7 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).
- *10.8 Employment Agreement by and between Conrad D. Brooks and AXIS Specialty U.S. Services, Inc. dated December 14, 2016 (incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K filed on February 27, 2024).
- *10.9 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).
- *10.10 Employment Agreement by and between Daniel Draper and AXIS UK Services Limited dated January 19, 2023 (incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K filed on February 27, 2024).
- †*10.11 Letter Agreement by and between Matthew Kirk and AXIS Specialty U.S. Services, Inc. dated July 29, 2025.
- *10.12 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).
- *10.13 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).
- *10.14 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).
- *10.15 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).
- †*10.16 Amended and Restated Long-Term Equity Compensation Program effective February 2024.
- *10.17 Amended and Restated Executive Annual Incentive Plan effective February 2024 (incorporated by reference to Exhibit 10.23 to the Company's Annual Report on Form 10-K filed on February 27, 2024).
- *10.18 Amended and Restated AXIS Executive RSU Retirement Plan (incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K filed on February 27, 2024).
- *10.19 AXIS Second Amended and Restated Executive RSU Retirement Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 21, 2025).
- †*10.20 AXIS Third Amended and Restated Executive RSU Retirement Plan.
- *10.21 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).
- *10.22 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).
- †*10.23 Form of Employee Restricted Stock Unit Award Agreement.
- *10.24 Form of Employee Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.38 of the Company's Form 10-K filed on February 27, 2023).

- *10.25 Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on relative total shareholder return) (incorporated by reference to Exhibit 10.37 of the Company's Form 10-K filed on February 27, 2023).
- *10.26 Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on relative total shareholder return and adjusted diluted book value per share) (incorporated by reference to Exhibit 10.39 to the Company's Annual Report on Form 10-K filed on February 27, 2024).
- *10.27 Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on relative total shareholder return and adjusted diluted book value per share) (incorporated by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K filed on February 26, 2025).
- *10.28 Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on absolute total shareholder return compound annual growth rate) (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 1, 2023).
- *10.29 Form of Employee Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q filed on May 1, 2024).
- †*10.30 Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on relative total shareholder return and adjusted diluted book value per share).
- †*10.31 Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on compound annual growth rate total shareholder return).
- †*10.32 Form of Employee Restricted Stock Unit Award Agreement.
- *10.33 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).
- *10.34 AXIS Capital Holdings Limited Executive Severance Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 9, 2024).
- *10.35 Directors Annual Compensation Program, effective January 1, 2025 (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K filed on February 26, 2025).
- *10.36 Directors Annual Compensation Program, effective January 1, 2026 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on October 29, 2025).
- 10.37 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).
- 10.38 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).
- 10.39 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).
- 10.40 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).
- 10.41 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).

- 10.42 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).
- 10.43 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).
- 10.44 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).
- 10.45 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).
- 10.46 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).
- 10.47 Amendment and Restatement Agreement dated March 26, 2024, 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 March 28, 2024).
- 10.48 Amendment to Master Agreement dated March 26, 2024, 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 March 28, 2024).
- 10.49 Amended and Restated Committed Letter of Credit Facility Letter dated March 26, 2024, 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 10.3 to the Company's Current Report on Form 8-K filed on March 28, 2024).
- 10.50 Uncommitted Facility Letter for Issuance of Credits dated March 26, 2024, 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 10.4 to the Company's Current Report on Form 8-K filed on March 28, 2024).
- 10.51 Reinsurance Agreement signed December 13, 2024 between AXIS Specialty Limited, AXIS Reinsurance Company, AXIS Re SE, and AXIS Managing Agency Ltd. for and on behalf of the Underwriting Members of Lloyd's Syndicate 1686 and Cavello Bay Reinsurance Limited (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 16, 2024).
- 10.52 Amendment Agreement, dated March 23, 2025, 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 March 26, 2025).
- 10.53 Stock Repurchase Agreement, dated February 3, 2025, between AXIS Capital Holdings Limited and T-VIII PubOpps LP (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 3, 2025).
- 10.54 Stock Repurchase Agreement, dated March 5, 2025, between AXIS Capital Holdings Limited and T-VIII PubOpps LP (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 5, 2025).

- 10.55 Stock Repurchase Agreement, dated November 19, 2025, between AXIS Capital Holdings Limited and T-VIII PubOpps LP (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 21, 2025).
- 19.1 AXIS Capital Holdings Limited Insider Trading Policy (incorporated by reference to Exhibit 19.1 to the Company's Annual Report on Form 10-K filed on February 26, 2025).
- 19.2 AXIS Capital Holdings Limited Trading Policies and Procedures (incorporated by reference to Exhibit 19.2 to the Company's Annual Report on Form 10-K filed on February 26, 2025).
- †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 (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K filed on February 27, 2024).
- †101 The following financial information from AXIS Capital Holdings Limited's Annual Report on Form 10-K for the year ended December 31, 2025 formatted in Inline XBRL: (i) Consolidated Balance Sheets at December 31, 2025 and 2024; (ii) Consolidated Statements of Operations for the years ended December 31, 2025, 2024 and 2023; (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023; (iv) Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2025, 2024 and 2023; (v) Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023; 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, 2026

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, 2026.

<u>Signature</u>	<u>Title</u>
<u> /s/ VINCENT TIZZIO </u> Vincent Tizzio	Chief Executive Officer, President and Director (Principal Executive Officer)
<u> /s/ PETER VOGT </u> Peter Vogt	Chief Financial Officer (Principal Financial Officer)
<u> /s/ ATHANASIOS TOM BOLOVINOS </u> Athanasios Tom Bolovinos	Chief Accounting Officer (Principal Accounting Officer)
<u> /s/ W. MARSTON BECKER </u> W. Marston Becker	Director
<u> /s/ CHARLES DAVIS </u> Charles Davis	Director
<u> /s/ ANNE MELISSA DOWLING </u> 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/ 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, 2025

(in thousands)	Amortized cost	Fair value	Amount shown on the balance sheet
Type of investment:			
Fixed maturities, available for sale, at fair value			
U.S. government and agency	\$ 2,406,907	\$ 2,417,901	\$ 2,417,901
Non-U.S. government	798,984	810,544	810,544
Corporate debt	5,168,562	5,222,433	5,222,433
Agency RMBS	2,026,043	2,035,352	2,035,352
CMBS	811,056	801,511	801,511
Non-agency RMBS	193,372	190,124	190,124
ABS	1,479,963	1,488,067	1,488,067
Municipals	52,841	52,095	52,095
Total fixed maturities, available for sale	\$ 12,937,728	13,018,027	13,018,027
Fixed maturities, held to maturity, at amortized cost			
Corporate debt	\$ 145,137	143,076	145,137
ABS	252,293	252,866	252,293
Total fixed maturities, held to maturity	\$ 397,430	395,942	397,430
Mortgage loans, held for investment, at fair value		356,840	356,840
Short-term investments, at fair value		20,298	20,298
Equity securities, at fair value		707,569	707,569
Other investments, at fair value ⁽¹⁾		723,138	1,027,798
Equity method investments ⁽²⁾		—	227,181
Total investments		\$ 15,221,814	\$ 15,755,143

(1) In the fair value column in the table above, 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) In the fair value column in the table above, equity method investments are excluded as the Company has the ability to exercise significant influence over the operating and financial policies of the investees.

AXIS CAPITAL HOLDINGS LIMITED
CONDENSED BALANCE SHEETS – PARENT COMPANY
DECEMBER 31, 2025 AND 2024

	2025	2024
	(in thousands)	
Assets		
Investments in subsidiaries	\$ 6,578,804	\$ 6,209,792
Cash and cash equivalents	3,880	3,768
Other assets	20,870	4,465
Total assets	\$ 6,603,554	\$ 6,218,025
Liabilities		
Intercompany payable	\$ 197,849	\$ 70,183
Dividends payable	46,264	50,478
Other liabilities	3,006	7,985
Total liabilities	247,119	128,646
Shareholders' equity		
Preferred shares	550,000	550,000
Common shares (<i>shares issued 2025: 176,580; 2024: 176,580</i> <i>shares outstanding 2025: 74,135; 2024: 82,984</i>)	2,206	2,206
Additional paid-in capital	2,405,792	2,394,063
Accumulated other comprehensive income (loss)	28,431	(267,557)
Retained earnings	8,181,699	7,341,569
Treasury shares, at cost (<i>2025: 102,445; 2024: 93,596</i>)	(4,811,693)	(3,930,902)
Total shareholders' equity	6,356,435	6,089,379
Total liabilities and shareholders' equity	\$ 6,603,554	\$ 6,218,025

- (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, 2025, 2024 AND 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	(in thousands)		
Revenues			
Net investment income	\$ —	\$ —	\$ —
Total revenues	<u>—</u>	<u>—</u>	<u>—</u>
Expenses			
General and administrative expenses	52,957	52,599	52,334
Total expenses	<u>52,957</u>	<u>52,599</u>	<u>52,334</u>
Income (loss) before incomes taxes and equity in net income of subsidiaries	(52,957)	(52,599)	(52,334)
Income tax benefit	8,071	—	—
Equity in net income of subsidiaries	1,053,783	1,134,385	428,626
Net income	1,008,897	1,081,786	376,292
Preferred share dividends	30,250	30,250	30,250
Net income available to common shareholders	\$ 978,647	\$ 1,051,536	\$ 346,042
Comprehensive income	\$ 1,304,886	\$ 1,180,065	\$ 770,756

AXIS CAPITAL HOLDINGS LIMITED
CONDENSED STATEMENTS OF CASH FLOWS – PARENT COMPANY
YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	(in thousands)		
Cash flows from operating activities:			
Net income	\$ 1,008,897	\$ 1,081,786	\$ 376,292
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in income loss of subsidiaries	(1,053,783)	(1,134,385)	(428,626)
Change in intercompany payable	127,666	(19,247)	(136,059)
Dividends received from subsidiaries	1,001,700	459,000	375,000
Other items	(42,324)	(28,645)	(34,626)
Share-based compensation expense, net of cash payments	45,214	42,731	54,119
Net cash provided by operating activities	<u>1,087,370</u>	<u>401,240</u>	<u>206,100</u>
Cash flows from financing activities:			
Repurchase of common shares	(887,717)	(199,944)	—
Taxes paid on withholding shares	(26,559)	(15,925)	(23,595)
Dividends paid - common shares	(142,732)	(151,765)	(153,775)
Dividends paid - preferred shares	(30,250)	(30,250)	(30,250)
Net cash used in financing activities	<u>(1,087,258)</u>	<u>(397,884)</u>	<u>(207,620)</u>
Increase (decrease) in cash, cash equivalents and restricted cash	112	3,356	(1,520)
Cash, cash equivalents and restricted cash - beginning of year	3,768	412	1,932
Cash, cash equivalents and restricted cash - end of year	<u>\$ 3,880</u>	<u>\$ 3,768</u>	<u>\$ 412</u>

AXIS CAPITAL HOLDINGS LIMITED
SUPPLEMENTARY INSURANCE INFORMATION

At and year ended December 31, 2025

(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	\$ 584,203	\$ 11,156,522	\$ 4,333,954	\$ 4,291,485	\$ —	\$ 2,337,227	\$ 820,324	\$ 537,558	\$ 4,627,224
Reinsurance	217,575	6,965,734	1,491,744	1,423,124	—	951,314	316,145	50,111	1,494,432
Corporate	—	—	—	—	766,903	—	—	116,262	—
Total	<u>\$ 801,778</u>	<u>\$ 18,122,256</u>	<u>\$ 5,825,698</u>	<u>\$ 5,714,609</u>	<u>\$ 766,903</u>	<u>\$ 3,288,541</u>	<u>\$ 1,136,469</u>	<u>\$ 703,931</u>	<u>\$ 6,121,656</u>

At and year ended December 31, 2024

(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	\$ 503,175	\$ 10,499,703	\$ 3,859,162	\$ 3,926,036	\$ —	\$ 2,245,420	\$ 766,915	\$ 485,929	\$ 4,250,545
Reinsurance	182,678	6,719,226	1,352,703	1,380,199	—	913,067	303,636	50,513	1,506,806
Corporate	—	—	—	—	759,229	—	—	129,760	—
Total	<u>\$ 685,853</u>	<u>\$ 17,218,929</u>	<u>\$ 5,211,865</u>	<u>\$ 5,306,235</u>	<u>\$ 759,229</u>	<u>\$ 3,158,487</u>	<u>\$ 1,070,551</u>	<u>\$ 666,202</u>	<u>\$ 5,757,351</u>

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	\$ 448,062	\$ 9,507,409	\$ 3,507,519	\$ 3,461,700	\$ —	\$ 2,080,001	\$ 648,463	\$ 472,094	\$ 3,758,720
Reinsurance	153,571	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	<u>\$ 601,633</u>	<u>\$ 16,434,018</u>	<u>\$ 4,747,602</u>	<u>\$ 5,083,781</u>	<u>\$ 611,742</u>	<u>\$ 3,393,102</u>	<u>\$ 1,000,945</u>	<u>\$ 684,446</u>	<u>\$ 5,102,325</u>

- (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 \$116 million, \$130 million, and \$133 million for the years ended December 31, 2025, 2024 and 2023, 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.

SCHEDULE IV

AXIS CAPITAL HOLDINGS LIMITED
 SUPPLEMENTARY REINSURANCE INFORMATION
 YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

(in thousands)	GROSS AMOUNT	CEDED TO OTHER COMPANIES	ASSUMED FROM OTHER COMPANIES	NET AMOUNT	PERCENTAGE OF AMOUNT ASSUMED TO NET
2025					
Property and Casualty	\$ 6,003,826	\$ 3,222,188	\$ 2,710,155	\$ 5,491,793	49.3 %
Accident and Health	546,852	300,670	383,681	629,863	60.9 %
Total	\$ 6,550,678	\$ 3,522,858	\$ 3,093,836	\$ 6,121,656	50.5 %
2024					
Property and Casualty	\$ 5,596,538	\$ 3,085,338	\$ 2,522,244	\$ 5,033,444	50.1 %
Accident and Health	437,817	163,199	449,289	723,907	62.1 %
Total	\$ 6,034,355	\$ 3,248,537	\$ 2,971,533	\$ 5,757,351	51.6 %
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 %



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