REFINITIV

DELTA REPORT

10-Q

AXS - AXIS CAPITAL HOLDINGS LTD

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2260
CHANGES	416
DELETIONS	1092
ADDITIONS	752

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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023 March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-31721

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

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

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

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

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 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 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At October 27, 2023 April 26, 2024, there were 85,241,668 84,659,970 common shares outstanding, $0.0125 par value per share, of the registrant.

AXIS CAPITAL HOLDINGS LIMITED

INDEX TO FORM 10-Q

PART I FINANCIAL INFORMATION

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts included in this report, including statements regarding our estimates, beliefs, expectations, intentions, strategies or projections are forward-looking statements. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the United States ("U.S.") federal securities laws. In some cases, these statements can be identified by the use of forward-looking words such as "may", "should", "could", "anticipate", "estimate", "expect", "plan", "believe", "predict", "potential", "intend" or similar expressions. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond management's control.

Forward-looking statements contained in this report may include, but are not limited to, information regarding our estimates for catastrophes losses and other weather-related losses including losses related to the COVID-19 pandemic, loss expenses, measurements of potential losses in the fair market value of our investment portfolio and derivative contracts, our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, the outcome of our strategic initiatives, including our exit from catastrophe and property reinsurance lines of business, our expectations regarding pricing, and other market and economic conditions including the liquidity of financial markets, developments in the commercial real estate market, inflation, our growth prospects, and valuations of the potential impact of movements in interest rates, credit spreads, equity securities' prices, and foreign currency exchange rates.

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

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

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

Summary of Risk Factors

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

Insurance Risk

- the cyclical nature of the insurance and reinsurance business leading to periods with excess underwriting capacity and unfavorable premium rates;
- the occurrence and magnitude of natural and man-made disasters, including the potential increase of our exposure to natural catastrophe losses due to climate change and the potential for inherently unpredictable losses from man-made catastrophes, such as cyber-attacks;
- the effects of emerging claims, systemic risks, and coverage and regulatory issues, including increasing litigation and uncertainty related to coverage definitions, limits, terms and conditions;
- actual claims exceeding reserves for losses and loss expenses;
- losses related to the Israel-Hamas conflict and the associated conflict in the Red Sea, the Russian invasion of Ukraine, terrorism and political unrest, or other unanticipated losses;
- the adverse impact of social and economic inflation;
- the failure of any of the loss limitation methods we employ;
- the failure of our cedants to adequately evaluate risks;

Strategic Risk

- underwriting increased competition and investment exposure in light of the recent disruption consolidation in the banking sector, which we expect to be within our risk appetite for an event of this nature; insurance and reinsurance industry;

3

- changes in the political environment of certain countries in which we operate or underwrite business, including the United Kingdom's withdrawal from the European Union; business;
- the loss of business provided to us by major brokers;

3

- a decline in our ratings with rating agencies;
- the loss of one or more of our key executives;
- increasing scrutiny and evolving expectations from investors, customers, regulators, policymakers and other stakeholders regarding environmental, social and governance matters;
- the adverse impact of contagious diseases (including COVID-19) on our business, results of operations, financial condition, and liquidity;

Credit and Market Risk

- the inability to purchase reinsurance or collect amounts due to us from reinsurance we have purchased;
- the failure of our policyholders or intermediaries to pay premiums;
- general economic, capital and credit market conditions, including banking and commercial real estate sector instability, financial market illiquidity and fluctuations in interest rates, credit spreads, equity securities' prices, and/or foreign currency exchange rates;
- breaches by third parties in our program business of their obligations to us;

Liquidity Risk

- the inability to access sufficient cash to meet our obligations when they are due;

Operational Risk

- changes in accounting policies or practices;

- the use of industry models and changes to these models;
- difficulties with technology and/or data security;
- the 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

- changes in governmental regulations and potential government intervention in our industry;
- inadvertent failure to comply with certain laws and regulations relating to sanctions, foreign corrupt practices, data protection and privacy; and

Risks Related to Taxation

- changes in tax laws.

Readers should carefully consider the risks noted above together with other factors including but not limited to those described under Item 1A, *'Risk Factors'* in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC"), as those factors may be updated from time to time in our periodic and other filings with the SEC, which are accessible on the SEC's website at www.sec.gov.

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 Quarterly Report on Form 10-Q.

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

AXIS CAPITAL HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2023 MARCH 31, 2024 (UNAUDITED) AND DECEMBER 31, 2022 2023

		2024		
		2024		
		2024		
		2023		**2022**
		(in thousands)		
Assets	**Assets**			
Assets				
Assets				
Investments:	**Investments:**			
Fixed maturities, available for sale, at fair value *(Amortized cost 2023: $12,587,327; 2022: $12,176,473 Allowance for expected credit losses 2023: $8,933; 2022: $11,733)*		**$ 11,723,368**		$ 11,326,894
Fixed maturities, held to maturity, at amortized cost *(Fair value 2023: $696,639; 2022: $674,743 Allowance for expected credit losses 2023: $nil; 2022: $nil)*		**712,840**		698,351
Equity securities, at fair value *(Cost 2023: $561,558; 2022: $494,356)*		**556,262**		485,253
Mortgage loans, held for investment, at fair value *(Allowance for expected credit losses 2023: $4,179; 2022: $nil)*		**610,277**		627,437
Investments:				
Investments:				
Fixed maturities, available for sale, at fair value *(Amortized cost 2024: $12,714,210; 2023: $12,634,254 Allowance for expected credit losses 2024: $4,237; 2023: $10,759)*				
Fixed maturities, available for sale, at fair value *(Amortized cost 2024: $12,714,210; 2023: $12,634,254 Allowance for expected credit losses 2024: $4,237; 2023: $10,759)*				

Fixed maturities, available for sale, at fair value

(Amortized cost 2024: $12,714,210; 2023: $12,634,254
Allowance for expected credit losses 2024: $4,237; 2023: $10,759)

Fixed maturities, held to maturity, at amortized cost

(Fair value 2024: $683,726; 2023: $675,851
Allowance for expected credit losses 2024: $nil; 2023: $nil)

Fixed maturities, held to maturity, at amortized cost

(Fair value 2024: $683,726; 2023: $675,851
Allowance for expected credit losses 2024: $nil; 2023: $nil)

Fixed maturities, held to maturity, at amortized cost

(Fair value 2024: $683,726; 2023: $675,851
Allowance for expected credit losses 2024: $nil; 2023: $nil)

Equity securities, at fair value

(Cost 2024: $545,538; 2023: $543,833)

Equity securities, at fair value

(Cost 2024: $545,538; 2023: $543,833)

Equity securities, at fair value

(Cost 2024: $545,538; 2023: $543,833)

Mortgage loans, held for investment, at fair value

(Allowance for expected credit losses 2024: $8,113; 2023: $6,220)

Mortgage loans, held for investment, at fair value

(Allowance for expected credit losses 2024: $8,113; 2023: $6,220)

Mortgage loans, held for investment, at fair value

(Allowance for expected credit losses 2024: $8,113; 2023: $6,220)

Other investments, at fair value

Other investments, at fair value

Other investments, at fair value	Other investments, at fair value	**954,571**	996,751
Equity method investments	Equity method investments	**162,412**	148,288

Equity method investments

Equity method investments

Short-term investments, at fair value			
Short-term investments, at fair value			
Short-term investments, at fair value	Short-term investments, at fair value	**115,959**	70,310
Total investments	Total investments	**14,835,689**	14,353,284
Total investments			
Total investments			
Cash and cash equivalents			
Cash and cash equivalents			
Cash and cash equivalents	Cash and cash equivalents	**889,574**	751,415
Restricted cash and cash equivalents	Restricted cash and cash equivalents	**377,741**	423,238
Restricted cash and cash equivalents			
Restricted cash and cash equivalents			
Accrued interest receivable	Accrued interest receivable	**99,978**	94,418
Insurance and reinsurance premium balances receivable *(Allowance for expected credit losses 2023: $14,781; 2022: $9,521)*		**3,207,444**	2,733,464
Reinsurance recoverable on unpaid losses and loss expenses *(Allowance for expected credit losses 2023: $34,724; 2022: $30,715)*		**6,031,527**	5,831,172
Accrued interest receivable			
Accrued interest receivable			
Insurance and reinsurance premium balances receivable *(Allowance for expected credit losses 2024: $13,103; 2023: $11,997)*			
Insurance and reinsurance premium balances receivable *(Allowance for expected credit losses 2024: $13,103; 2023: $11,997)*			
Insurance and reinsurance premium balances receivable *(Allowance for expected credit losses 2024: $13,103; 2023: $11,997)*			

Reinsurance recoverable on unpaid losses and loss expenses *(Allowance for expected credit losses 2024: $37,888; 2023: $36,611)*			
Reinsurance recoverable on unpaid losses and loss expenses *(Allowance for expected credit losses 2024: $37,888; 2023: $36,611)*			
Reinsurance recoverable on unpaid losses and loss expenses *(Allowance for expected credit losses 2024: $37,888; 2023: $36,611)*			
Reinsurance recoverable on paid losses and loss expenses			
Reinsurance recoverable on paid losses and loss expenses			
Reinsurance recoverable on paid losses and loss expenses	Reinsurance recoverable on paid losses and loss expenses	**594,375**	539,676
Deferred acquisition costs	Deferred acquisition costs	**503,617**	473,569
Deferred acquisition costs			
Deferred acquisition costs			
Prepaid reinsurance premiums			
Prepaid reinsurance premiums			
Prepaid reinsurance premiums	Prepaid reinsurance premiums	**1,973,378**	1,550,370
Receivable for investments sold	Receivable for investments sold	**17,306**	16,052
Receivable for investments sold			
Receivable for investments sold			
Goodwill			
Goodwill			
Goodwill	Goodwill	**100,801**	100,801
Intangible assets	Intangible assets	**189,612**	197,800
Intangible assets			
Intangible assets			

Operating lease right-of-use assets	Operating lease right-of-use assets		**104,240**		92,214
Operating lease right-of-use assets					
Operating lease right-of-use assets					
Loan advances made					
Loan advances made					
Loan advances made					
Other assets					
Other assets					
Other assets	Other assets		**547,242**		438,338
Total assets	**Total assets**	**$**	**29,472,524**	$	27,595,811
Total assets					
Total assets					
Liabilities					
Liabilities					
Liabilities	**Liabilities**				
Reserve for losses and loss expenses	Reserve for losses and loss expenses	**$**	**15,555,256**	$	15,168,863
Reserve for losses and loss expenses					
Reserve for losses and loss expenses					
Unearned premiums					
Unearned premiums					
Unearned premiums	Unearned premiums		**4,995,785**		4,361,447
Insurance and reinsurance balances payable	Insurance and reinsurance balances payable		**1,900,188**		1,522,764
Insurance and reinsurance balances payable					
Insurance and reinsurance balances payable					
Debt					
Debt					
Debt	Debt		**1,313,358**		1,312,314
Federal Home Loan Bank advances	Federal Home Loan Bank advances		**85,790**		81,388
Federal Home Loan Bank advances					
Federal Home Loan Bank advances					

Payable for investments purchased			
Payable for investments purchased			
Payable for investments purchased	Payable for investments purchased	**87,992**	19,693
Operating lease liabilities	Operating lease liabilities	**116,547**	102,577
Operating lease liabilities			
Operating lease liabilities			
Other liabilities	Other liabilities	**384,400**	386,855
Other liabilities			
Other liabilities			
Total liabilities			
Total liabilities			
Total liabilities	**Total liabilities**	**24,439,316**	22,955,901
Shareholders’ equity	**Shareholders’ equity**		
Shareholders’ equity			
Shareholders’ equity			
Preferred shares	Preferred shares	**550,000**	550,000
Common shares *(shares issued 2023: 176,580; 2022: 176,580 shares outstanding 2023: 85,228; 2022: 84,668)*		**2,206**	2,206
Preferred shares			
Preferred shares			
Common shares *(shares issued 2024: 176,580; 2023: 176,580 shares outstanding 2024: 84,687; 2023: 85,286)*			
Common shares *(shares issued 2024: 176,580; 2023: 176,580 shares outstanding 2024: 84,687; 2023: 85,286)*			
Common shares *(shares issued 2024: 176,580; 2023: 176,580 shares outstanding 2024: 84,687; 2023: 85,286)*			
Additional paid-in capital			
Additional paid-in capital			
Additional paid-in capital	Additional paid-in capital	**2,375,678**	2,366,253

Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss)	**(775,439)**	(760,300)
Accumulated other comprehensive income (loss)			
Accumulated other comprehensive income (loss)			
Retained earnings	Retained earnings	**6,628,179**	6,247,022
Treasury shares, at cost *(2023: 91,352; 2022: 91,912)*		**(3,747,416)**	(3,765,271)
Retained earnings			
Retained earnings			
Treasury shares, at cost *(2024: 91,893; 2023: 91,294)*			
Treasury shares, at cost *(2024: 91,893; 2023: 91,294)*			
Treasury shares, at cost *(2024: 91,893; 2023: 91,294)*			
Total shareholders' equity			
Total shareholders' equity			
Total shareholders' equity	**Total shareholders' equity**	**5,033,208**	4,639,910
Total liabilities and shareholders' equity	**Total liabilities and shareholders' equity**	**$ 29,472,524**	$ 27,595,811
Total liabilities and shareholders' equity			
Total liabilities and shareholders' equity			

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, MARCH 31, 2024 AND 2023 AND 2022

	Three months ended		Nine months ended	
	2023	**2022**	**2023**	**2022**

	(in thousands, except per share amounts)			
Revenues				
Net premiums earned	**$1,322,564**	$1,284,866	**$3,818,508**	$3,820,163
Net investment income	**154,201**	88,177	**424,802**	271,744
Other insurance related income	**10,344**	1,092	**16,444**	9,998
Net investment gains (losses):				
(Increase) decrease in allowance for expected credit losses	**1,077**	(3,210)	**(1,380)**	(10,191)
Impairment losses	**(41)**	(6,491)	**(9,124)**	(7,074)
Other realized and unrealized investment gains (losses)	**(54,150)**	(136,757)	**(87,167)**	(396,966)
Total net investment gains (losses)	**(53,114)**	(146,458)	**(97,671)**	(414,231)
Total revenues	**1,433,995**	1,227,677	**4,162,083**	3,687,674
Expenses				
Net losses and loss expenses	**783,940**	941,911	**2,240,840**	2,444,196
Acquisition costs	**263,389**	240,511	**747,027**	746,443
General and administrative expenses	**179,283**	158,245	**514,596**	492,872
Foreign exchange gains	**(50,570)**	(135,660)	**(11,755)**	(236,934)
Interest expense and financing costs	**16,445**	15,915	**50,077**	46,720
Reorganization expenses	**28,997**	6,213	**28,997**	21,941
Amortization of intangible assets	**2,729**	2,729	**8,188**	8,188
Total expenses	**1,224,213**	1,229,864	**3,577,970**	3,523,426
Income (loss) before income taxes and interest in income (loss) of equity method investments	**209,782**	(2,187)	**584,113**	164,248
Income tax (expense) benefit	**(24,624)**	363	**(68,078)**	5,304
Interest in income (loss) of equity method investments	**2,940**	(7,560)	**2,835**	5,040
Net income (loss)	**188,098**	(9,384)	**518,870**	174,592
Preferred share dividends	**7,563**	7,563	**22,688**	22,688
Net income (loss) available (attributable) to common shareholders	**$ 180,535**	$ (16,947)	**$ 496,182**	$ 151,904
Per share data				
Earnings (loss) per common share:				
Earnings (loss) per common share	**$ 2.12**	$ (0.20)	**$ 5.83**	$ 1.79
Earnings (loss) per diluted common share	**$ 2.10**	$ (0.20)	**$ 5.77**	$ 1.77
Weighted average common shares outstanding	**85,223**	84,660	**85,099**	84,930

Weighted average diluted common shares outstanding	**86,108**	84,660	**85,927**	85,674

	Three months ended March 31,	
	2024	**2023**
	(in thousands, except per share amounts)	
Revenues		
Net premiums earned	**$ 1,258,041**	$ 1,230,199
Net investment income	**167,383**	133,771
Other insurance related income	**8,340**	577
Net investment gains (losses):		
(Increase) decrease in allowance for expected credit losses	**4,664**	(2,811)
Impairment losses	**(8)**	—
Other realized and unrealized investment gains (losses)	**(13,863)**	(17,379)
Total net investment gains (losses)	**(9,207)**	(20,190)
Total revenues	**1,424,557**	1,344,357
Expenses		
Net losses and loss expenses	**728,671**	720,642
Acquisition costs	**254,254**	230,373
General and administrative expenses	**163,373**	166,811
Foreign exchange losses (gains)	**(23,552)**	8,710
Interest expense and financing costs	**17,147**	16,894
Reorganization expenses	**12,299**	—
Amortization of intangible assets	**2,729**	2,729
Total expenses	**1,154,921**	1,146,159
Income before income taxes and interest in income (loss) of equity method investments	**269,636**	198,198
Income tax (expense) benefit	**124,654**	(15,896)
Interest in income (loss) of equity method investments	**1,169**	(2,205)
Net income	**395,459**	180,097
Preferred share dividends	**7,563**	7,563
Net income available to common shareholders	**$ 387,896**	$ 172,534

Per share data				
Earnings per common share:				
Earnings per common share	**$**	**4.57**	$	2.03
Earnings per diluted common share	**$**	**4.53**	$	2.01
Weighted average common shares outstanding		**84,879**		84,864
Weighted average diluted common shares outstanding		**85,693**		85,853

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, MARCH 31, 2024 AND 2023 AND 2022

	Three months ended		Nine months ended	
	2023	**2022**	**2023**	**2022**
	(in thousands)			
Net income (loss)	**$ 188,098**	$ (9,384)	**$ 518,870**	$ 174,592
Other comprehensive income (loss), net of tax:				
Available for sale investments:				
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has not been recognized	**(156,051)**	(393,880)	**(109,595)**	(1,259,482)
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has been recognized	**(4,947)**	(10,684)	**(1,630)**	(53,308)
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	**23,018**	98,779	**100,388**	229,773
Unrealized gains (losses) arising during the period, net of reclassification adjustment	**(137,980)**	(305,785)	**(10,837)**	(1,083,017)
Foreign currency translation adjustment	**(6,950)**	(12,751)	**(4,302)**	(16,169)

Total other comprehensive income (loss), net of tax	**(144,930)**	(318,536)	**(15,139)**	(1,099,186)
Comprehensive income (loss)	**$ 43,168**	$ (327,920)	**$ 503,731**	$ (924,594)

	Three months ended March 31,	
	2024	**2023**
	(in thousands)	
Net income	**$ 395,459**	$ 180,097
Other comprehensive income (loss), net of tax:		
Available for sale investments:		
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has not been recognized	**(60,059)**	134,567
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has been recognized	**(418)**	13,622
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	**23,415**	40,750
Unrealized gains (losses) arising during the period, net of reclassification adjustment	**(37,062)**	188,939
Foreign currency translation adjustment	**(8,951)**	(535)
Total other comprehensive income (loss), net of tax	**(46,013)**	188,404
Comprehensive income	**$ 349,446**	$ 368,501

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, MARCH 31, 2024 AND 2023 AND 2022

Three months ended
March 31,

Three months ended
March 31,

		Three months ended March 31,				
		2024				
		2024				
		2024				
		Three months ended		Nine months ended		
		2023	2022	2023	2022	
		(in thousands)				(in thousands)
Preferred shares	**Preferred shares**					
Balance at beginning and end of period	**Balance at beginning and end of period**	**$ 550,000**	$ 550,000	**$ 550,000**	$ 550,000	
Balance at beginning and end of period						
Balance at beginning and end of period						
Common shares (par value)						
Common shares (par value)						
Common shares (par value)	**Common shares (par value)**					
Balance at beginning and end of period	**Balance at beginning and end of period**	**2,206**	2,206	**2,206**	2,206	
Balance at beginning and end of period						
Balance at beginning and end of period						
Additional paid-in capital						
Additional paid-in capital						
Additional paid-in capital	**Additional paid-in capital**					
Balance at beginning of period	Balance at beginning of period	**2,361,185**	2,341,507	**2,366,253**	2,346,179	

Balance at beginning of period

Balance at beginning of period

Treasury shares reissued

Treasury shares reissued

Treasury shares reissued	Treasury shares reissued	**(779)**	(694)	**(33,575)**	(30,844)
Share-based compensation expense	Share-based compensation expense	**15,272**	14,082	**43,000**	39,560

Share-based compensation expense

Share-based compensation expense

Balance at end of period

Balance at end of period

Balance at end of period	**Balance at end of period**	**2,375,678**	2,354,895	**2,375,678**	2,354,895
Accumulated other comprehensive income (loss)	**Accumulated other comprehensive income (loss)**				

Accumulated other comprehensive income (loss)

Accumulated other comprehensive income (loss)

Balance at beginning of period

Balance at beginning of period

Balance at beginning of period	Balance at beginning of period	**(630,509)**	(724,114)	**(760,300)**	56,536
Unrealized gains (losses) on available for sale investments, net of tax:	Unrealized gains (losses) on available for sale investments, net of tax:				

Unrealized gains (losses) on available for sale investments, net of tax:

Unrealized gains (losses) on available for sale investments, net of tax:

Balance at beginning of period

Balance at beginning of period

Balance at beginning of period	Balance at beginning of period	**(616,552)**	(715,077)	**(743,695)**	62,155
Unrealized gains (losses) arising during the period, net of reclassification adjustment	Unrealized gains (losses) arising during the period, net of reclassification adjustment	**(137,980)**	(305,785)	**(10,837)**	(1,083,017)

Unrealized gains (losses) arising during the period, net of reclassification adjustment

Unrealized gains (losses) arising during the period, net of reclassification adjustment

Balance at end of period

Balance at end of period

Balance at end of period	Balance at end of period	**(754,532)**	(1,020,862)	**(754,532)**	(1,020,862)
Cumulative foreign currency translation adjustments, net of tax:	Cumulative foreign currency translation adjustments, net of tax:				

Cumulative foreign currency translation adjustments, net of tax:

Cumulative foreign currency translation adjustments, net of tax:

Balance at beginning of period					
Balance at beginning of period					
Balance at beginning of period	Balance at beginning of period	**(13,957)**	(9,037)	**(16,605)**	(5,619)
Foreign currency translation adjustment	Foreign currency translation adjustment	**(6,950)**	(12,751)	**(4,302)**	(16,169)
Foreign currency translation adjustment					
Foreign currency translation adjustment					
Balance at end of period					
Balance at end of period					
Balance at end of period					
Balance at end of period					
Balance at end of period	Balance at end of period	**(20,907)**	(21,788)	**(20,907)**	(21,788)
Balance at end of period	**Balance at end of period**	**(775,439)**	(1,042,650)	**(775,439)**	(1,042,650)
Retained earnings	**Retained earnings**				
Retained earnings					
Retained earnings					
Balance at beginning of period					
Balance at beginning of period					
Balance at beginning of period	Balance at beginning of period	**6,485,901**	6,298,680	**6,247,022**	6,204,745
Net income (loss)		**188,098**	(9,384)	**518,870**	174,592
Net income					
Net income					
Net income					
Preferred share dividends (1)					
Preferred share dividends (1)					

Preferred share dividends (1)	Preferred share dividends (1)	**(7,563)**	(7,563)	**(22,688)**	(22,688)
Common share dividends (1)	Common share dividends (1)	**(38,257)**	(37,465)	**(115,025)**	(112,381)
Common share dividends (1)					
Common share dividends (1)					
Balance at end of period					
Balance at end of period					
Balance at end of period	**Balance at end of period**	**6,628,179**	6,244,268	**6,628,179**	6,244,268
Treasury shares, at cost	**Treasury shares, at cost**				
Treasury shares, at cost					
Treasury shares, at cost					
Balance at beginning of period					
Balance at beginning of period					
Balance at beginning of period	Balance at beginning of period	**(3,747,822)**	(3,765,648)	**(3,765,271)**	(3,749,010)
Shares repurchased	Shares repurchased	**(373)**	(342)	**(17,424)**	(48,675)
Shares repurchased					
Shares repurchased					
Shares reissued					
Shares reissued					
Shares reissued	Shares reissued	**779**	694	**35,279**	32,389
Balance at end of period	**Balance at end of period**	**(3,747,416)**	(3,765,296)	**(3,747,416)**	(3,765,296)
Balance at end of period					
Balance at end of period					
Total shareholders' equity					
Total shareholders' equity					
Total shareholders' equity	**Total shareholders' equity**	**$5,033,208**	$4,343,423	**$5,033,208**	$4,343,423

(1) Refer to Note 9 *'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.

9

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE NINE THREE MONTHS ENDED SEPTEMBER 30, MARCH 31, 2024 AND 2023 AND 2022

		Nine months ended			
		2023	**2022**		
	Three months ended March 31,				**Three months ended March 31,**
	2024			**2024**	**2023**
		(in thousands)		**(in thousands)**	
Cash flows from operating activities:	**Cash flows from operating activities:**				
Net income	Net income	**$ 518,870**	$ 174,592		
Net income					
Net income					
Adjustments to reconcile net income to net cash provided by operating activities:	**Adjustments to reconcile net income to net cash provided by operating activities:**				
Net investment (gains) losses	Net investment (gains) losses	**97,671**	414,231		
Net realized and unrealized (gains) losses on other investments		**4,923**	(31,843)		
Net investment (gains) losses					
Net investment (gains) losses					

Net realized and unrealized gains on other investments			
Amortization of fixed maturities	Amortization of fixed maturities	**(11,655)**	24,918
Interest in income (loss) of equity method investments		**(2,835)**	(5,040)
Interest in (income) loss of equity method investments			
Other amortization and depreciation			
Other amortization and depreciation			
Other amortization and depreciation	Other amortization and depreciation	**62,378**	52,469
Share-based compensation expense, net of cash payments	Share-based compensation expense, net of cash payments	**39,911**	36,097
Changes in:	*Changes in:*		
Changes in:			
Changes in:			
Accrued interest receivable			
Accrued interest receivable			
Accrued interest receivable	Accrued interest receivable	**(5,948)**	(13,796)

Reinsurance recoverable on unpaid losses and loss expenses	Reinsurance recoverable on unpaid losses and loss expenses	**(205,369)**	(239,482)
Reinsurance recoverable on paid losses and loss expenses	Reinsurance recoverable on paid losses and loss expenses	**(54,297)**	201,729
Deferred acquisition costs	Deferred acquisition costs	**(32,663)**	(79,994)
Prepaid reinsurance premiums	Prepaid reinsurance premiums	**(422,078)**	(222,235)
Reserve for losses and loss expenses	Reserve for losses and loss expenses	**400,725**	29,151
Unearned premiums	Unearned premiums	**639,441**	577,490
Insurance and reinsurance balances, net	Insurance and reinsurance balances, net	**(103,589)**	72,655
Other items	Other items	**23,818**	(73,932)
Net cash provided by operating activities	**Net cash provided by operating activities**	**949,303**	917,010
Cash flows from investing activities:	**Cash flows from investing activities:**		
Cash flows from investing activities:			
Cash flows from investing activities:			
Purchases of:	Purchases of:		

Purchases of:			
Purchases of:			
Fixed maturities, available for sale			
Fixed maturities, available for sale			
Fixed maturities, available for sale	Fixed maturities, available for sale	**(5,166,446)**	(5,466,347)
Fixed maturities, held to maturity	Fixed maturities, held to maturity	**(25,000)**	(247,862)
Equity securities	Equity securities	**(87,388)**	(92,977)
Mortgage loans	Mortgage loans	**(22,318)**	(113,978)
Other investments	Other investments	**(67,828)**	(122,628)
Equity method investments	Equity method investments	**(11,289)**	—
Short-term investments	Short-term investments	**(221,618)**	(141,821)
Proceeds from the sale of:	Proceeds from the sale of:		
Fixed maturities, available for sale			
Fixed maturities, available for sale			
Fixed maturities, available for sale	Fixed maturities, available for sale	**4,038,436**	4,730,523
Equity securities	Equity securities	**29,171**	111,148
Other investments	Other investments	**104,275**	134,348
Short-term investments	Short-term investments	**132,421**	71,435

Proceeds from redemption of fixed maturities, available for sale	Proceeds from redemption of fixed maturities, available for sale	**680,637**	850,954
Proceeds from redemption of fixed maturities, held to maturity	Proceeds from redemption of fixed maturities, held to maturity	**11,360**	3,500
Proceeds from redemption of short-term investments	Proceeds from redemption of short-term investments	**46,072**	20,124
Proceeds from the repayment of mortgage loans	Proceeds from the repayment of mortgage loans	**35,620**	54,881
Proceeds from the (purchase) sale of other assets, net	Proceeds from the (purchase) sale of other assets, net	**(16,219)**	(25,041)
Loan advances made	Loan advances made	**(149,879)**	—
Net cash used in investing activities		**(689,993)**	(233,741)
Net cash provided by (used in) investing activities			
Net cash provided by (used in) investing activities			
Net cash provided by (used in) investing activities			
Cash flows from financing activities:	**Cash flows from financing activities:**		
Cash flows from financing activities:			
Cash flows from financing activities:			
Repurchase of common shares - open market			
Repurchase of common shares - open market			
Repurchase of common shares - open market	Repurchase of common shares - open market	**—**	(34,987)

REFINITIV

Taxes paid on withholding shares	Taxes paid on withholding shares	**(17,424)**	(13,688)
Dividends paid - common shares	Dividends paid - common shares	**(115,569)**	(112,888)
Dividends paid - preferred shares			
Dividends paid - preferred shares			
Dividends paid - preferred shares	Dividends paid - preferred shares	**(22,688)**	(22,688)
Federal Home Loan Bank advances, net	Federal Home Loan Bank advances, net	**5,250**	78,950
Net cash used in financing activities		**(150,431)**	(105,301)
Federal Home Loan Bank advances, net			
Federal Home Loan Bank advances, net			
Net cash used in financing activities			
Net cash used in financing activities			
Net cash used in financing activities			
Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash			
Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash			
Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash			
Increase in cash, cash equivalents and restricted cash			
Cash, cash equivalents and restricted cash - beginning of period			

Cash, cash equivalents and restricted cash - end of period

See accompanying notes to Consolidated Financial Statements.

AXIS CAPITAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (CONTINUED)
FOR THE NINE THREE MONTHS ENDED SEPTEMBER 30, MARCH 31, 2024 AND 2023 AND 2022

Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash		**(16,217)**		(60,396)
Increase in cash, cash equivalents and restricted cash		**92,662**		517,572
Cash, cash equivalents and restricted cash - beginning of period		**1,174,653**		1,317,690
Cash, cash equivalents and restricted cash - end of period	**$**	**1,267,315**	$	1,835,262
Supplemental disclosures of cash flow information:				
Income taxes paid	**$**	**54,756**	$	36,431
Interest paid	**$**	**49,207**	$	45,963

Supplemental disclosures of cash flow information:				
Income taxes paid (refund)	**$**	**6,796**	$	(2,403)
Interest paid	**$**	**17,504**	$	17,110

Supplemental disclosures of cash flow information:

In 2023 2024,, an amount of $29 $48 million related to the a loan advanced to Monarch Point Re (ISA 2023) Ltd. ("Monarch Point Re") was repaid and an amount was treated as a non-cash activity in the consolidated statement of $29 cash flows. In addition, $46 million related to reinsurance balances payables was due to Monarch Point Re under the retrocession agreement and $4 million related to ceded losses and loss expenses due from Monarch Point Re under the retrocession agreement were settled and both were treated as a non-cash activity in the consolidated statement of cash flows. In addition, an amount of $7 million Further, $6 million related to interest on the loan advanced to Monarch Point Re was received in advance and was treated as a non-cash activity in the consolidated statement of cash flows.

In 2024, $25 million related to a loan advanced to a third party reinsurer was repaid and $25 million related to reinsurance balances payables due to the third party reinsurer under the retrocession agreement was settled and both were treated as non-cash activities in the consolidated statement of cash flows (refer to Note 14 10 *'Related Party Transactions'* *'Debt'*).

In 2023, $31 million related to a loan advanced to a third party reinsurer was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. In addition, $31 million related to reinsurance balances payables due to the third party reinsurer under the retrocession agreement and $5 million related to ceded losses and loss expenses due from the party reinsurer under the retrocession agreement were settled and both were treated as a non-cash activity in the consolidated statement of cash flows.

See accompanying notes to Consolidated Financial Statements.

Table ofContents

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These unaudited consolidated financial statements (the "financial statements") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and with the U.S. Securities and Exchange Commission's ("SEC") instructions to Form 10-Q and Article 10 of Regulation S-X and include AXIS Capital Holdings Limited ("AXIS Capital") and its subsidiaries (the "Company"). Accordingly, they do not include all of the information and notes required by U.S. GAAP for complete financial statements. This Quarterly Report on Form 10-Q should be read in conjunction with the financial statements and related notes included in AXIS Capital's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, as filed with the SEC.

In the opinion of management, these financial statements reflect all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the Company's financial position and results of operations for the periods presented.

The results of operations for any interim period are not necessarily indicative of the results for a full year. 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 March 31, 2024, the Company presented loan advances made in 2023 separately in the consolidated statements of cash flows. These loan advances made were previously included in insurance and reinsurance balances payable in the consolidated statements of cash flows. This presentation was adopted to facilitate comparison to loan advances made in 2024. This reclassification did not impact results of operations, financial condition or liquidity.
Tabular dollar and share amounts are in thousands, with the exception of per share amounts. All amounts are reported in U.S. dollars.

Significant Accounting Policies

There were no notable changes to the Company's significant accounting policies subsequent to its Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

2. SEGMENT INFORMATION

The Company's underwriting operations are organized around its global underwriting platforms, AXIS Insurance and AXIS Re. The Company has determined that it has two reportable segments, insurance and reinsurance. The Company does not allocate its assets by segment, with the exception of goodwill and intangible assets.

Insurance

The Company's insurance segment offers specialty insurance products to a variety of niche markets on a worldwide basis. The product lines in this segment are professional lines, property, liability, cyber, marine and aviation, accident and health, and credit and political risk.

Reinsurance

The Company's reinsurance segment provides treaty reinsurance to insurance companies on a worldwide basis. The product lines in this segment are liability, accident and health, professional lines, credit and surety, motor, agriculture, marine and aviation, and run-off lines which include catastrophe and property lines of business that the Company placed into run-off in 2022 and engineering. engineering lines of business that the Company placed into run-off in 2020.

The following tables present the underwriting results of the Company's reportable segments, as well as the carrying amounts of allocated goodwill and intangible assets:

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

2. SEGMENT INFORMATION (CONTINUED)

Three months ended and at September 30,	2023 Insurance	2023 Reinsurance	2023 Total	2022 Insurance	2022 Reinsurance	2022 Total
Gross premiums written	**$ 1,457,624**	**$ 448,254**	**$ 1,905,878**	$ 1,317,890	$ 389,918	$ 1,707,808
Net premiums written	**885,252**	**90,105**	**975,357**	777,789	258,995	1,036,784
Net premiums earned	**885,714**	**436,850**	**1,322,564**	782,101	502,765	1,284,866
Other insurance related income (loss)	**(22)**	**10,366**	**10,344**	151	941	1,092
Net losses and loss expenses	**(491,368)**	**(292,572)**	**(783,940)**	(519,006)	(422,905)	(941,911)
Acquisition costs	**(169,384)**	**(94,005)**	**(263,389)**	(139,436)	(101,075)	(240,511)
Underwriting-related general and administrative expenses	**(120,330)**	**(18,271)**	**(138,601)**	(108,072)	(24,498)	(132,570)
Underwriting income (loss)	**$ 104,610**	**$ 42,368**	**146,978**	$ 15,738	$ (44,772)	(29,034)
Net investment income			**154,201**			88,177
Net investment gains (losses)			**(53,114)**			(146,458)
Corporate expenses			**(40,682)**			(25,675)
Foreign exchange gains			**50,570**			135,660
Interest expense and financing costs			**(16,445)**			(15,915)
Reorganization expenses			**(28,997)**			(6,213)
Amortization of intangible assets			**(2,729)**			(2,729)

Income (loss) before income taxes and interest in income (loss) of equity method investments			**209,782**			(2,187)
Income tax (expense) benefit			**(24,624)**			363
Interest in income (loss) of equity method investments			**2,940**			(7,560)
Net income (loss)			**188,098**			(9,384)
Preferred share dividends			**7,563**			7,563
Net income (loss) available (attributable) to common shareholders			**$ 180,535**			$ (16,947)
Net losses and loss expenses ratio	**55.5 %**	**67.0 %**	**59.3 %**	66.4 %	84.1 %	73.3 %
Acquisition cost ratio	**19.1 %**	**21.5 %**	**19.9 %**	17.8 %	20.1 %	18.7 %
General and administrative expense ratio	**13.6 %**	**4.2 %**	**13.5 %**	13.8 %	4.9 %	12.3 %
Combined ratio	**88.2 %**	**92.7 %**	**92.7 %**	98.0 %	109.1 %	104.3 %
Goodwill and intangible assets	**$ 290,413**	**$ —**	**$ 290,413**	$ 301,330	$ —	$ 301,330

	2024			**2023**		
Three months ended and at March 31,	**Insurance**	**Reinsurance**	**Total**	**Insurance**	**Reinsurance**	**Total**
Gross premiums written	**$ 1,574,505**	**$ 1,079,922**	**$ 2,654,427**	$ 1,415,612	$ 966,364	$ 2,381,976
Net premiums written	**1,022,354**	**699,719**	**1,722,073**	882,576	725,780	1,608,356
Net premiums earned	**917,946**	**340,095**	**1,258,041**	816,456	413,743	1,230,199
Other insurance related income	**21**	**8,319**	**8,340**	54	523	577
Net losses and loss expenses	**(496,864)**	**(231,807)**	**(728,671)**	(449,467)	(271,175)	(720,642)
Acquisition costs	**(176,029)**	**(78,225)**	**(254,254)**	(147,058)	(83,315)	(230,373)
Underwriting-related general and administrative expenses	**(122,087)**	**(15,706)**	**(137,793)**	(116,630)	(23,765)	(140,395)
Underwriting income	**$ 122,987**	**$ 22,676**	**145,663**	$ 103,355	$ 36,011	139,366
Net investment income			**167,383**			133,771

Net investment gains (losses)			**(9,207)**			(20,190)
Corporate expenses			**(25,580)**			(26,416)
Foreign exchange (losses) gains			**23,552**			(8,710)
Interest expense and financing costs			**(17,147)**			(16,894)
Reorganization expenses			**(12,299)**			—
Amortization of intangible assets			**(2,729)**			(2,729)
Income before income taxes and interest in income (loss) of equity method investments			**269,636**			198,198
Income tax (expense) benefit			**124,654**			(15,896)
Interest in income (loss) of equity method investments			**1,169**			(2,205)
Net income			**395,459**			180,097
Preferred share dividends			**7,563**			7,563
Net income available to common shareholders			**$ 387,896**			$ 172,534
Net losses and loss expenses ratio	**54.1 %**	**68.2 %**	**57.9 %**	55.1 %	65.5 %	58.6 %
Acquisition cost ratio	**19.2 %**	**23.0 %**	**20.2 %**	18.0 %	20.1 %	18.7 %
General and administrative expense ratio	**13.3 %**	**4.6 %**	**13.0 %**	14.2 %	5.8 %	13.6 %
Combined ratio	**86.6 %**	**95.8 %**	**91.1 %**	87.3 %	91.4 %	90.9 %
Goodwill and intangible assets	**$ 284,956**	**$ —**	**$ 284,956**	$ 295,872	$ —	$ 295,872

2. SEGMENT INFORMATION (CONTINUED)

Nine months ended September 30,	2023 Insurance	2023 Reinsurance	2023 Total	2022 Insurance	2022 Reinsurance	2022 Total
Gross premiums written	**$ 4,557,386**	**$ 2,014,846**	**$ 6,572,232**	$ 4,114,776	$ 2,341,123	$ 6,455,899
Net premiums written	**2,788,849**	**1,241,221**	**4,030,070**	2,491,120	1,675,382	4,166,502
Net premiums earned	**2,544,920**	**1,273,588**	**3,818,508**	2,303,640	1,516,523	3,820,163
Other insurance related income	**90**	**16,354**	**16,444**	470	9,528	9,998
Net losses and loss expenses	**(1,398,486)**	**(842,354)**	**(2,240,840)**	(1,346,585)	(1,097,611)	(2,444,196)
Acquisition costs	**(473,413)**	**(273,614)**	**(747,027)**	(422,979)	(323,464)	(746,443)
Underwriting-related general and administrative expenses	**(350,494)**	**(61,757)**	**(412,251)**	(330,598)	(82,471)	(413,069)
Underwriting income	**$ 322,617**	**$ 112,217**	**434,834**	$ 203,948	$ 22,505	226,453
Net investment income			**424,802**			271,744
Net investment gains (losses)			**(97,671)**			(414,231)
Corporate expenses			**(102,345)**			(79,803)
Foreign exchange gains			**11,755**			236,934
Interest expense and financing costs			**(50,077)**			(46,720)
Reorganization expenses			**(28,997)**			(21,941)
Amortization of intangible assets			**(8,188)**			(8,188)
Income before income taxes and interest in income of equity method investments			**584,113**			164,248
Income tax (expense) benefit			**(68,078)**			5,304
Interest in income of equity method investments			**2,835**			5,040
Net income			**518,870**			174,592
Preferred share dividends			**22,688**			22,688
Net income available to common shareholders			**$ 496,182**			$ 151,904

Net losses and loss expenses ratio	**55.0 %**	**66.1 %**	**58.7 %**	58.5 %	72.4 %	64.0 %
Acquisition cost ratio	**18.6 %**	**21.5 %**	**19.6 %**	18.4 %	21.3 %	19.5 %
General and administrative expense ratio	**13.7 %**	**4.9 %**	**13.4 %**	14.3 %	5.4 %	12.9 %
Combined ratio	**87.3 %**	**92.5 %**	**91.7 %**	91.2 %	99.1 %	96.4 %
Goodwill and intangible assets	**$ 290,413**	**$ —**	**$ 290,413**	$ 301,330	$ —	$ 301,330

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

3. 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 September 30, 2023					
Available for sale					
U.S. government and agency	**$ 2,976,548**	**$ —**	**$ 117**	**$ (116,032)**	**$ 2,860,633**
Non-U.S. government	**718,298**	**(17)**	**854**	**(48,880)**	**670,255**
Corporate debt	**4,610,179**	**(8,684)**	**5,737**	**(377,369)**	**4,229,863**
Agency RMBS(1)	**1,707,603**	**—**	**44**	**(166,142)**	**1,541,505**
CMBS(2)	**947,370**	**—**	**36**	**(82,355)**	**865,051**
Non-agency RMBS	**155,437**	**(133)**	**123**	**(17,623)**	**137,804**
ABS(3)	**1,304,644**	**(38)**	**711**	**(38,449)**	**1,266,868**
Municipals(4)	**167,248**	**(61)**	**42**	**(15,840)**	**151,389**

Total fixed maturities, available for sale	**$ 12,587,327**	**$ (8,933)**	**$ 7,664**	**$ (862,690)**	**$ 11,723,368**
At December 31, 2022					
Available for sale					
U.S. government and agency	$ 2,731,733	$ —	$ 5,386	$ (97,789)	$ 2,639,330
Non-U.S. government	612,546	—	2,395	(52,912)	562,029
Corporate debt	4,680,798	(11,521)	5,269	(418,990)	4,255,556
Agency RMBS(1)	1,297,423	—	4,663	(99,301)	1,202,785
CMBS(2)	1,029,863	—	60	(82,145)	947,778
Non-agency RMBS	151,907	(123)	275	(18,525)	133,534
ABS(3)	1,499,728	(35)	555	(70,721)	1,429,527
Municipals(4)	172,475	(54)	139	(16,205)	156,355
Total fixed maturities, available for sale	$ 12,176,473	$ (11,733)	$ 18,742	$ (856,588)	$ 11,326,894

	Amortized cost	Allowance for expected credit losses	Gross unrealized gains	Gross unrealized losses	Fair value
At March 31, 2024					
Available for sale					
U.S. government and agency	**$ 2,649,595**	**$ —**	**$ 1,590**	**$ (57,468)**	**$ 2,593,717**
Non-U.S. government	**757,162**	**(17)**	**4,851**	**(23,798)**	**738,198**
Corporate debt	**5,095,372**	**(3,973)**	**37,431**	**(212,892)**	**4,915,938**
Agency RMBS(1)	**1,684,869**	**—**	**4,273**	**(103,522)**	**1,585,620**
CMBS(2)	**870,433**	**—**	**545**	**(50,585)**	**820,393**
Non-agency RMBS	**152,322**	**(198)**	**518**	**(12,650)**	**139,992**
ABS(3)	**1,336,681**	**(49)**	**2,148**	**(20,875)**	**1,317,905**
Municipals(4)	**167,776**	**—**	**371**	**(10,600)**	**157,547**
Total fixed maturities, available for sale	**$ 12,714,210**	**$ (4,237)**	**$ 51,727**	**$ (492,390)**	**$ 12,269,310**
At December 31, 2023					
Available for sale					
U.S. government and agency	$ 3,049,445	$ —	$ 13,211	$ (55,128)	$ 3,007,528
Non-U.S. government	729,761	(30)	13,089	(18,861)	723,959
Corporate debt	4,651,654	(10,438)	49,434	(216,478)	4,474,172
Agency RMBS(1)	1,706,204	—	11,495	(83,038)	1,634,661

CMBS(2)	897,553	—	551	(58,408)	839,696
Non-agency RMBS	165,910	(194)	713	(13,033)	153,396
ABS(3)	1,265,187	(50)	2,855	(25,021)	1,242,971
Municipals(4)	168,540	(47)	414	(10,548)	158,359
Total fixed maturities, available for sale	$ 12,634,254	$ (10,759)	$ 91,762	$ (480,515)	$ 12,234,742

(1) Residential mortgage-backed securities ("RMBS") originated by U.S. government-sponsored agencies.

(2) Commercial mortgage-backed securities ("CMBS").

(3) Asset-backed securities ("ABS") include debt tranched securities collateralized primarily by auto loans, student loans, credit card receivables and collateralized loan obligations ("CLOs").

(4) Municipals include bonds issued by states, municipalities and political subdivisions.

3. 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 September 30, 2023			
Maturity			
Due in one year or less	**$ 571,440**	**$ 553,369**	**4.8 %**
Due after one year through five years	**5,607,949**	**5,335,096**	**45.5 %**
Due after five years through ten years	**2,144,195**	**1,892,237**	**16.1 %**
Due after ten years	**148,689**	**131,438**	**1.1 %**
	8,472,273	**7,912,140**	**67.5 %**

Agency RMBS	**1,707,603**	**1,541,505**	**13.1 %**
CMBS	**947,370**	**865,051**	**7.4 %**
Non-agency RMBS	**155,437**	**137,804**	**1.2 %**
ABS	**1,304,644**	**1,266,868**	**10.8 %**
Total	**$ 12,587,327**	**$ 11,723,368**	**100.0 %**
At December 31, 2022			
Maturity			
Due in one year or less	$ 422,039	$ 409,972	3.7 %
Due after one year through five years	5,349,123	5,078,273	44.8 %
Due after five years through ten years	2,192,344	1,919,450	16.9 %
Due after ten years	234,046	205,575	1.8 %
	8,197,552	7,613,270	67.2 %
Agency RMBS	1,297,423	1,202,785	10.6 %
CMBS	1,029,863	947,778	8.4 %
Non-agency RMBS	151,907	133,534	1.2 %
ABS	1,499,728	1,429,527	12.6 %
Total	$ 12,176,473	$ 11,326,894	100.0 %

	Amortized cost	Fair value	% of Total fair value
At March 31, 2024			
Maturity			
Due in one year or less	**$ 435,592**	**$ 427,428**	**3.6 %**
Due after one year through five years	**5,891,599**	**5,759,009**	**46.9 %**
Due after five years through ten years	**2,164,623**	**2,046,280**	**16.7 %**
Due after ten years	**178,091**	**172,683**	**1.4 %**
	8,669,905	**8,405,400**	**68.6 %**
Agency RMBS	**1,684,869**	**1,585,620**	**12.9 %**
CMBS	**870,433**	**820,393**	**6.7 %**
Non-agency RMBS	**152,322**	**139,992**	**1.1 %**
ABS	**1,336,681**	**1,317,905**	**10.7 %**
Total	**$ 12,714,210**	**$ 12,269,310**	**100.0 %**
At December 31, 2023			

Maturity			
Due in one year or less	$ 474,557	$ 463,789	3.6 %
Due after one year through five years	5,902,571	5,790,493	47.3 %
Due after five years through ten years	2,064,619	1,954,449	16.0 %
Due after ten years	157,653	155,287	1.3 %
	8,599,400	8,364,018	68.2 %
Agency RMBS	1,706,204	1,634,661	13.4 %
CMBS	897,553	839,696	6.9 %
Non-agency RMBS	165,910	153,396	1.3 %
ABS	1,265,187	1,242,971	10.2 %
Total	$ 12,634,254	$ 12,234,742	100.0 %

3. 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 September 30, 2023						
Fixed maturities, available for sale						
U.S. government and agency	**$ 933,401**	**$ (68,216)**	**$ 1,841,396**	**$ (47,816)**	**$ 2,774,797**	**$ (116,032)**
Non-U.S. government	**236,921**	**(31,958)**	**400,356**	**(16,922)**	**637,277**	**(48,880)**
Corporate debt	**2,705,183**	**(333,349)**	**1,207,859**	**(44,020)**	**3,913,042**	**(377,369)**
Agency RMBS	**751,020**	**(128,711)**	**783,310**	**(37,431)**	**1,534,330**	**(166,142)**

CMBS	**732,637**	**(75,522)**	**121,722**	**(6,833)**	**854,359**	**(82,355)**
Non-agency RMBS	**92,894**	**(16,856)**	**37,539**	**(767)**	**130,433**	**(17,623)**
ABS	**975,560**	**(36,001)**	**216,048**	**(2,448)**	**1,191,608**	**(38,449)**
Municipals	**128,209**	**(15,116)**	**21,510**	**(724)**	**149,719**	**(15,840)**
Total fixed maturities, available for sale	**$ 6,555,825**	**$ (705,729)**	**$ 4,629,740**	**$ (156,961)**	**$ 11,185,565**	**$ (862,690)**
At December 31, 2022						
Fixed maturities, available for sale						
U.S. government and agency	$ 467,032	$ (41,365)	$ 1,414,181	$ (56,424)	$ 1,881,213	$ (97,789)
Non-U.S. government	207,637	(33,027)	298,048	(19,885)	505,685	(52,912)
Corporate debt	1,562,355	(268,289)	2,350,504	(150,701)	3,912,859	(418,990)
Agency RMBS	220,595	(40,469)	771,191	(58,832)	991,786	(99,301)
CMBS	343,494	(40,888)	599,877	(41,257)	943,371	(82,145)
Non-agency RMBS	75,137	(14,691)	53,484	(3,834)	128,621	(18,525)
ABS	685,990	(48,913)	686,190	(21,808)	1,372,180	(70,721)
Municipals	52,994	(10,120)	96,003	(6,085)	148,997	(16,205)
Total fixed maturities, available for sale	$ 3,615,234	$ (497,762)	$ 6,269,478	$ (358,826)	$ 9,884,712	$ (856,588)

	12 months or greater		Less than 12 months		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
At March 31, 2024						
Fixed maturities, available for sale						
U.S. government and agency	**$ 657,958**	**$ (40,409)**	**$ 1,669,439**	**$ (17,059)**	**$ 2,327,397**	**$ (57,468)**
Non-U.S. government	**224,688**	**(20,529)**	**274,043**	**(3,269)**	**498,731**	**(23,798)**
Corporate debt	**2,337,348**	**(202,913)**	**862,666**	**(9,979)**	**3,200,014**	**(212,892)**
Agency RMBS	**810,334**	**(96,973)**	**414,071**	**(6,549)**	**1,224,405**	**(103,522)**
CMBS	**665,150**	**(47,233)**	**86,723**	**(3,352)**	**751,873**	**(50,585)**
Non-agency RMBS	**86,352**	**(12,562)**	**15,966**	**(88)**	**102,318**	**(12,650)**
ABS	**447,941**	**(19,575)**	**343,163**	**(1,300)**	**791,104**	**(20,875)**
Municipals	**124,038**	**(10,203)**	**7,081**	**(397)**	**131,119**	**(10,600)**
Total fixed maturities, available for sale	**$ 5,353,809**	**$ (450,397)**	**$ 3,673,152**	**$ (41,993)**	**$ 9,026,961**	**$ (492,390)**

At December 31, 2023

Fixed maturities, available for sale						
U.S. government and agency	$ 846,503	$ (42,465)	$ 867,733	$ (12,663)	$ 1,714,236	$ (55,128)
Non-U.S. government	233,038	(18,178)	115,112	(683)	348,150	(18,861)
Corporate debt	2,623,304	(210,512)	240,813	(5,966)	2,864,117	(216,478)
Agency RMBS	778,656	(80,070)	218,606	(2,968)	997,262	(83,038)
CMBS	703,411	(54,856)	75,242	(3,552)	778,653	(58,408)
Non-agency RMBS	98,483	(13,013)	10,017	(20)	108,500	(13,033)
ABS	879,743	(24,747)	83,582	(274)	963,325	(25,021)
Municipals	129,969	(10,156)	6,238	(392)	136,207	(10,548)
Total fixed maturities, available for sale	$ 6,293,107	$ (453,997)	$ 1,617,343	$ (26,518)	$ 7,910,450	$ (480,515)

At September 30, 2023 March 31, 2024, 4,856 4,138 fixed maturities (2022: 4,525) (2023: 3,535) were in an unrealized loss position of $863 million (2022: $857 million $492 million (2023: $481 million), of which $39 million (2022: $64 million $11 million (2023: $13 million) was related to securities below investment grade or not rated.

At September 30, 2023 March 31, 2024, 3,386 3,004 fixed maturities (2022: 1,842) (2023: 3,212) had been in a continuous unrealized loss position for twelve months or greater and had a fair value of $6,556 million (2022 $5,354 million (2023: $3,615 6,293 million).

The unrealized losses of $863 million (2022: $857 million $492 million (2023: $481 million) were due to non-credit factors and were expected to be recovered as the related securities approach maturity.

At September 30, 2023 March 31, 2024, 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.

3. INVESTMENTS (CONTINUED)

b) Fixed Maturities, Held to Maturity

The following table provides the amortized cost and fair values of the Company's fixed maturities classified as held to maturity:

	Amortized cost	Allowance for expected credit losses	Net carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
At September 30, 2023						
Held to maturity						
Corporate debt	**$ 90,200**	**$ —**	**$ 90,200**	**$ —**	**$ (12,779)**	**$ 77,421**
ABS(1)	**622,640**	**—**	**622,640**	**41**	**(3,463)**	**619,218**
Total fixed maturities, held to maturity	**$ 712,840**	**$ —**	**$ 712,840**	**$ 41**	**$ (16,242)**	**$ 696,639**
At December 31, 2022						
Held to maturity						
Corporate debt	$ 85,200	$ —	$ 85,200	$ —	$ (11,428)	$ 73,772
ABS(1)	613,151	—	613,151	—	(12,180)	600,971
Total fixed maturities, held to maturity	$ 698,351	$ —	$ 698,351	$ —	$ (23,608)	$ 674,743

	Amortized cost	Allowance for expected credit losses	Net carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
At March 31, 2024						
Held to maturity						
Corporate debt	**$ 100,217**	**$ —**	**$ 100,217**	**$ 177**	**$ (9,360)**	**$ 91,034**
ABS(1)	**592,825**	**—**	**592,825**	**270**	**(403)**	**592,692**
Total fixed maturities, held to maturity	**$ 693,042**	**$ —**	**$ 693,042**	**$ 447**	**$ (9,763)**	**$ 683,726**
At December 31, 2023						
Held to maturity						
Corporate debt	$ 95,200	$ —	$ 95,200	$ 298	$ (8,827)	$ 86,671
ABS(1)	591,096	—	591,096	5	(1,921)	589,180

Total fixed maturities, held to maturity	$	686,296	$	—	$	686,296	$	303	$	(10,748)	$	675,851

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

At September 30, 2023 March 31, 2024, fixed maturities, held to maturity of $713 million $693 million (2022: 2023: $698 686 million) were presented net of an allowance for expected credit losses of $nil (2022:$nil (2023: $nil).

The Company's ABS, held to maturity consist of CLO debt tranched securities. The Company uses a scenario-based approach to review its CLO debt portfolio and reviews subordination levels of these securities to determine their ability to absorb credit losses of the underlying collateral. If losses are forecast to be below the subordination level for a tranche held by the Company, the security is determined not to have a credit loss. At September 30, 2023 March 31, 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 September 30, 2023 March 31, 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 with had a net carrying value of $623 million $593 million (2022: $613 2023: $591 million) do not have a single maturity date and cannot be allocated over several maturity groupings. .

Corporate debt classified as held to maturity with a net carrying value of $86 million (2022: $81 million) $17 million (2023: $nil) is due between 3 years 1 year and 103 years and corporate debt classified as held to maturity with a net carrying value of $4 million (2022: $4 million) $83 million (2023: $95 million) is due after ten between 3 years and 10 years.

3. INVESTMENTS (CONTINUED)

c) Equity Securities

The following table provides the cost and fair values of the Company's equity securities:

		Cost		Gross unrealized gains		Gross unrealized losses		Fair value
At September 30, 2023								
Equity securities								
Common stocks	**$**	**3,130**	**$**	**327**	**$**	**(407)**	**$**	**3,050**
Preferred stocks		**5,339**		**—**		**(253)**		**5,086**
Exchange-traded funds		**191,711**		**85,115**		**(3,032)**		**273,794**
Bond mutual funds		**361,378**		**—**		**(87,046)**		**274,332**
Total equity securities	**$**	**561,558**	**$**	**85,442**	**$**	**(90,738)**	**$**	**556,262**
At December 31, 2022								
Equity securities								
Common stocks	$	7,279	$	636	$	(442)	$	7,473
Preferred stocks		115		—		(43)		72
Exchange-traded funds		207,505		68,058		(5,757)		269,806
Bond mutual funds		279,457		—		(71,555)		207,902
Total equity securities	$	494,356	$	68,694	$	(77,797)	$	485,253

		Cost		Gross unrealized gains		Gross unrealized losses		Fair value
At March 31, 2024								
Equity securities								
Common stocks	**$**	**2,843**	**$**	**25**	**$**	**(416)**	**$**	**2,452**
Preferred stocks		**5,654**		**161**		**(113)**		**5,702**
Exchange-traded funds		**188,548**		**99,734**		**(1,116)**		**287,166**
Bond mutual funds		**348,493**		**2,327**		**(63,962)**		**286,858**
Total equity securities	**$**	**545,538**	**$**	**102,247**	**$**	**(65,607)**	**$**	**582,178**
At December 31, 2023								

Equity securities				
Common stocks	$ 2,843	$ 101	$ (398)	$ 2,546
Preferred stocks	5,496	218	(113)	5,601
Exchange-traded funds	182,989	105,858	(1,572)	287,275
Bond mutual funds	352,505	4,119	(63,535)	293,089
Total equity securities	$ 543,833	$ 110,296	$ (65,618)	$ 588,511

d) Mortgage Loans

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

	September 30, 2023		**December 31, 2022**	
	Carrying value	**% of Total**	**Carrying value**	**% of Total**
Mortgage loans, held for investment:				
Commercial	**$ 614,456**	**101 %**	$ 627,437	100 %
Allowance for expected credit losses	**(4,179)**	**(1 %)**	—	— %
Total mortgage loans, held for investment	**$ 610,277**	**100 %**	$ 627,437	100 %

	March 31, 2024		**December 31, 2023**	
	Carrying value	**% of Total**	**Carrying value**	**% of Total**
Mortgage loans, held for investment:				
Commercial	**$ 617,817**	**101 %**	$ 616,368	101 %
Allowance for expected credit losses	**(8,113)**	**(1 %)**	(6,220)	(1)%
Total mortgage loans, held for investment	**$ 609,704**	**100 %**	$ 610,148	100 %

The primary credit quality indicators for commercial mortgage loans are the debt service coverage ratio which compares a property's net operating income to amounts needed to service the principal and interest due under the loan, (generally, the lower the debt service coverage ratio, the higher the risk of experiencing a credit loss) and the loan-to-value ratio which compares the unpaid principal balance of the loan to the estimated fair value of the underlying collateral (generally, the higher the loan-to-value ratio, the higher the risk of experiencing a credit loss). The debt service coverage ratio and loan-to-value ratio, as well as the values utilized in calculating these ratios, are updated quarterly.

The Company has a high quality mortgage loan portfolio with a weighted average debt service coverage ratio of 1.9x (2022: 2.3x) (2023: 1.9x) and a weighted average loan-to-value ratio of 68% (2022: 60% 71% (2023: 71%). At September 30, 2023 March 31, 2024, and 2022 2023 there were no past due amounts associated with the commercial mortgage loans held by the Company.

3. INVESTMENTS (CONTINUED)

On a quarterly basis, collateral dependent mortgage loans (e.g., when the borrower is experiencing financial difficulty, including when foreclosure is reasonably possible or probable) are evaluated individually for credit losses. The allowance for expected credit losses for a collateral dependent loan is established as the excess of amortized cost over the estimated fair value of the loan's underlying collateral, less selling cost when foreclosure is probable. Accordingly, the change in the estimated fair value of collateral dependent

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

3. INVESTMENTS (CONTINUED)

loans, which are evaluated individually for credit losses, is recognized as a change in the allowance for expected credit losses which is recorded in net investment gains (losses).

At September 30, 2023 March 31, 2024, there are two three collateral dependent loans with estimated loan-to-value ratios in excess of 100%, resulting in an allowance for expected credit loss of $4 million. $8 million (2023: $6 million).

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	% of Total	Redemption frequency (if currently eligible)	Redemption notice period

At September 30, 2023				
Multi-strategy funds	**$ 25,465**	**3 %**	**Quarterly**	**60-90 days**
Direct lending funds	**229,235**	**24 %**	**Quarterly(1)**	**90 days**
Private equity funds	**283,838**	**30 %**	**n/a**	**n/a**
Real estate funds	**307,177**	**32 %**	**Quarterly(2), Annually(3)**	**45-90 days**
CLO-Equities	**4,684**	**— %**	**n/a**	**n/a**
Other privately held investments	**104,172**	**11 %**	**n/a**	**n/a**
Total other investments	**$ 954,571**	**100 %**		
At December 31, 2022				
Multi-strategy funds	$ 32,616	3 %	Quarterly	60-90 days
Direct lending funds	258,626	26 %	Quarterly(1)	90 days
Private equity funds	265,836	27 %	n/a	n/a
Real estate funds	298,499	30 %	Quarterly(2), Annually(3)	45-90 days
CLO-Equities	5,016	— %	n/a	n/a
Other privately held investments	136,158	14 %	n/a	n/a
Total other investments	$ 996,751	100 %		

	Fair value		**Redemption frequency (if currently eligible)**	**Redemption notice period**
At March 31, 2024				
Multi-strategy funds	**$ 24,950**	**3 %**	**Quarterly**	**60-90 days**
Direct lending funds	**168,987**	**18 %**	**Quarterly(1)**	**90 days**
Private equity funds	**309,399**	**33 %**	**n/a**	**n/a**
Real estate funds	**309,545**	**33 %**	**Quarterly(2), Annually(3)**	**45-90 days**
CLO-Equities	**4,986**	**— %**	**n/a**	**n/a**
Other privately held investments	**116,857**	**13 %**	**n/a**	**n/a**
Total other investments	**$ 934,724**	**100 %**		
At December 31, 2023				
Multi-strategy funds	$ 24,619	3 %	Quarterly	60-90 days
Direct lending funds	192,270	20 %	Quarterly(1)	90 days
Private equity funds	301,712	32 %	n/a	n/a

Real estate funds	317,325	33 %	Quarterly(2), Annually(3)	45-90 days
CLO-Equities	5,300	1 %	n/a	n/a
Other privately held investments	108,187	11 %	n/a	n/a
Total other investments	$ 949,413	100 %		

n/a - not applicable

(1) Applies to one fund with a fair value of $22 million (2022: $39 million $13 million (2023: $17 million).

(2) Applies to one fund with a fair value of $67 million (2022: $73 million $64 million (2023: $66 million).

(3) Applies to one fund with a fair value of $24 million (2022: $27 million (2023: $25 million).

Two common redemption restrictions which may impact the Company's ability to redeem hedge 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 the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, neither of these restrictions impacted the Company's redemption requests. At September 30, 2023 March 31, 2024, there were no hedg multi-strategy e fund holdings (2022: (2023: $nil) where the Company is still within the lockup period.

3. INVESTMENTS (CONTINUED)

At September 30, 2023 March 31, 2024, the Company had $28 million (2022: $26 million (2023: $28 million) of unfunded commitments as a limited partner in multi-strategy hedge 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 September 30, 2023 March 31, 2024, the Company had $191 million (2022: $183 million $190 million (2023: $192 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

3. INVESTMENTS (CONTINUED)

not be fully returned until the completion of the fund's investment term. These funds have investment terms ranging from four to ten years and the General Partners of certain funds have the option to extend the term by up to three years.

At September 30, 2023 March 31, 2024, the Company had $153 million (2022: $158 million $134 million (2023: $145 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 September 30, 2023 March 31, 2024, the Company had $119 million (2022: $141 million $105 million (2023: $107 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 September 30, 2023 March 31, 2024, the Company had $15 $23 million (2022: $16 (2023: $30 million) of unfunded commitments as a limited partner in two early-stage venture capital three private company investment funds focusing on financial services technology companies with an emphasis on insurance technology. These technology companies ("private company investment funds"). Two of these funds have investment terms of 5 years and one fund has an investment term of 10 years.

f) Equity Method Investments

During May 2023, the Company paid $11 $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” "ISAC Act"). During 2024, the Company paid $7 million to acquire 18% of the common equity of Monarch Point Re (ISA 2024) Ltd., (Monarch Point Re (ISAC) Ltd., Monarch Point Re (ISA 2023) Ltd. and Monarch Point Re (ISA 2024) Ltd., individually or collectively "Monarch Point Re").

Monarch Point Re is an independent reinsurer jointly sponsored by the Company and Stone Point Credit, LLC ("Stone Point").

The Company will retrocede retrocedes a diversified portfolio of casualty reinsurance business to Monarch Point Re and Stone Point will serve serves as its investment manager. The 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.

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.

During 2016, the Company paid $108 million including direct transaction costs to acquire 19% of the common equity of Harrington Reinsurance Holdings Limited ("Harrington"), the parent company of Harrington Re Ltd. ("Harrington Re"), an independent reinsurance company jointly sponsored by the Company and The Blackstone Group L.P. ("Blackstone").

Through long-term service agreements, the Company will serve serves as Harrington Re's reinsurance underwriting manager and Blackstone will serve serves as exclusive investment management service provider. As an investor, the Company expects to benefit from underwriting profit generated by Harrington Re and the income and capital appreciation Blackstone seeks to deliver through its investment management services. In addition, the Company has entered into an arrangement with Blackstone under which underwriting and investment related fees will be shared equally.

Harrington is not a Variable Interest Entity ("VIE") VIE that is required to be included in the Company's consolidated financial statements. The Company accounts for its ownership interest in Harrington under the equity method of accounting. The Company's proportionate share of the underlying equity in net assets resulted in a basis difference of $5 million which represents initial transactions costs.

---

3. INVESTMENTS (CONTINUED)

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 Variable Interest Entities ("VIEs") VIEs. These structured securities include RMBS, CMBS and ABS.

The Company also invests in limited partnerships which represent 75% 74% of the Company's other investments. The investments in limited partnerships include hedgemulti-strategy funds, direct lending funds, private equity funds, and real estate funds and CLO equity tranched securities, which are variable interests issued by VIEs (refer to Note 3(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

3. INVESTMENTS (CONTINUED)

the amount of commitment made by the Company. The Company has not provided financial or other support to these structured securities other than the original investment.

h) Net Investment Income

Net investment income was derived from the following sources:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Fixed maturities	**$ 133,006**	$ 87,364	**$ 375,659**	$ 224,780
Other investments	**312**	(7,576)	**(4,543)**	32,801
Equity securities	**3,050**	2,490	**8,495**	7,349
Mortgage loans	**8,892**	6,256	**26,158**	15,323
Cash and cash equivalents	**14,465**	5,350	**35,638**	10,147
Short-term investments	**2,195**	1,004	**5,984**	1,571
Gross investment income	**161,920**	94,888	**447,391**	291,971
Investment expenses	**(7,719)**	(6,711)	**(22,589)**	(20,227)
Net investment income	**$ 154,201**	$ 88,177	**$ 424,802**	$ 271,744

	Three months ended March 31,	
	2024	2023
Fixed maturities	**$ 139,396**	$ 118,262
Other investments	**5,673**	486
Equity securities	**2,762**	2,455
Mortgage loans	**9,130**	8,386
Cash and cash equivalents	**13,661**	10,012
Short-term investments	**3,463**	1,660
Gross investment income	**174,085**	141,261
Investment expenses	**(6,702)**	(7,490)
Net investment income	**$ 167,383**	$ 133,771

3. INVESTMENTS (CONTINUED)

i) Net Investment Gains (Losses)

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

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Gross realized investment gains				
Fixed maturities and short-term investments	**$ 4,143**	$ 1,095	**$ 27,973**	$ 11,390
Equity securities	**8,433**	6,997	**9,968**	6,997
Gross realized investment gains	**12,576**	8,092	**37,941**	18,387
Gross realized investment losses				
Fixed maturities and short-term investments	**(31,390)**	(100,021)	**(128,733)**	(249,514)

Equity securities	**(4)**	(178)	**(400)**	(403)
Gross realized investment losses	**(31,394)**	(100,199)	**(129,133)**	(249,917)
(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	**1,618**	(3,210)	**2,800**	(10,191)
(Increase) decrease in allowance for expected credit losses, mortgage loans	**(541)**	—	**(4,179)**	—
Impairment losses(1)	**(41)**	(6,491)	**(9,124)**	(7,074)
Change in fair value of investment derivatives(2)	**1,692**	4,400	**218**	11,463
Net unrealized gains (losses) on equity securities	**(37,024)**	(49,050)	**3,806**	(176,899)
Net investment losses	**$ (53,114)**	$ (146,458)	**$ (97,671)**	$ (414,231)

	Three months ended March 31,	
	2024	**2023**
Gross realized investment gains		
Fixed maturities and short-term investments	**$ 14,399**	$ 12,370
Equity securities	**30,626**	1,517
Gross realized investment gains	**45,025**	13,887
Gross realized investment losses		
Fixed maturities and short-term investments	**(43,932)**	(53,649)
Equity securities	**(7,712)**	(396)
Gross realized investment losses	**(51,644)**	(54,045)
(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	**6,522**	(911)
(Increase) decrease in allowance for expected credit losses, mortgage loans	**(1,858)**	(1,900)
Impairment losses(1)	**(8)**	—
Change in fair value of investment derivatives(2)	**795**	(947)
Net unrealized gains (losses) on equity securities	**(8,039)**	23,726
Net investment losses	**$ (9,207)**	$ (20,190)

(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 5 '*Derivative Instruments*'.

3. INVESTMENTS (CONTINUED)

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:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Balance at beginning of period	**$ 10,551**	$ 7,294	**$ 11,733**	$ 313
Expected credit losses on securities where credit losses were not previously recognized	**21**	6,320	**4,376**	13,228
Additions (reductions) for expected credit losses on securities where credit losses were previously recognized	**708**	(592)	**404**	(500)
Impairments of securities which the Company intends to sell or more likely than not will be required to sell	**—**	—	**—**	—
Securities sold/redeemed/matured	**(2,347)**	(2,518)	**(7,580)**	(2,537)
Balance at end of period	**$ 8,933**	$ 10,504	**$ 8,933**	$ 10,504

	Three months ended March 31,	
	2024	**2023**
Balance at beginning of period	**$ 10,759**	$ 11,733
Expected credit losses on securities where credit losses were not previously recognized	**31**	613
Additions (reductions) for expected credit losses on securities where credit losses were previously recognized	**(1,553)**	919
Impairments of securities which the Company intends to sell or more likely than not will be required to sell	**—**	—
Securities sold/redeemed/matured	**(5,000)**	(620)
Balance at end of period	**$ 4,237**	$ 12,645

j) Reverse Repurchase Agreements

At March 31, 2024, the Company held $53 million (2023: $12 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.

---

4. 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.

---

4. 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.

4. FAIR VALUE MEASUREMENTS (CONTINUED)

Non-agency RMBS

Non-agency RMBS mainly include investment grade bonds originated by non-agencies. The fair values of these securities are determined using an option adjusted spread model or other relevant models, which use inputs including available trade information or broker quotes, prepayment and default projections based on historical statistics of the underlying collateral and current market data. As the significant inputs used to price these securities are observable market inputs, the fair values of non-agency RMBS are generally classified as Level 2. Where pricing is unavailable from pricing services, the Company obtains non-binding quotes from broker-dealers to estimate fair value. This is generally the case when there is a low volume of trading activity and current transactions are not orderly. In this event, the fair values of these securities are classified as Level 3.

ABS

ABS mainly include investment grade bonds backed by pools of loans with a variety of underlying collateral, including auto loans, student loans, credit card receivables and collateralized loan obligations ("CLOs"), originated by a variety of financial institutions. The fair values of these securities are determined using a model which uses prepayment speeds and spreads sourced primarily from the new issue market. As the significant inputs used to price these securities are observable market inputs, the fair values of ABS are generally classified as Level 2. Where pricing is unavailable from pricing services, the Company obtains non-binding quotes from broker-dealers to estimate fair value. This is generally the case when there is a low volume of trading activity and current transactions are not orderly. In this event, the fair values of these securities are classified as Level 3.

Municipals

Municipals comprise revenue bonds and general obligation bonds issued by U.S. domiciled state and municipal entities. The fair values of these securities are determined using spreads obtained from the new issue market, trade prices and broker-dealers quotes. As the significant inputs used to price these securities are observable market inputs, the fair values of municipals are classified as Level 2.

Equity Securities

Equity securities include common stocks, preferred stocks, exchange-traded funds and bond mutual funds. As the fair values of common stocks and exchange-traded funds are based on unadjusted quoted market prices in active markets, the fair values of these securities are classified as Level 1. As the significant inputs used to price preferred stocks are observable market inputs, the fair value of these securities are classified as Level 2. As bond mutual funds have daily liquidity, the fair values of these securities are classified as Level 2.

Other Investments

The fair value of an indirect investment in CLO-Equities is estimated using an income approach valuation technique, specifically an externally developed discounted cash flow model due to the lack of observable and relevant trades in secondary markets. As the significant inputs used to price this security are unobservable, the fair value of the indirect investment in CLO-Equities is classified as Level 3.

Other privately held investments include convertible preferred common shares, preferred shares, common shares, convertible notes, private company investment funds, investments in limited partnerships, convertible notes, convertible preferred shares, and a variable yield security. These investments are initially valued at cost, which approximates fair value. In subsequent measurement periods, the fair values of these investments are generally derived from one or a combination of valuation methodologies which consider factors including recent capital raises by the investee companies, comparable precedent transaction multiples, comparable publicly traded multiples, third-party valuations, discounted cash-flow models, and other techniques that consider the industry and development development stage of each investee company. The fair value of the variable yield security is determined using an externally developed discounted cash flow model. In order to assess the reasonableness of the information received from investee companies, the Company maintains an understanding of current market conditions, historical results, and emerging trends that may impact the results of operations, financial condition or liquidity of these companies. In addition, the Company engages in regular communication with management at investee companies. As the significant inputs used to price these investments are unobservable, the fair values of other privately held investments are classified as Level 3. The fair values of private company investment funds are estimated using NAVs as advised by external fund managers or third-party administrators.

---

4. FAIR VALUE MEASUREMENTS (CONTINUED)

Short-term Investments

Short-term investments primarily comprise highly liquid securities with maturities greater than three months but less than one year from the date of purchase. These securities are typically not actively traded due to their approaching maturity, therefore their amortized cost approximates fair value. The fair values of short-term investments are classified as Level 2.

Derivative Instruments

Derivative instruments include foreign exchange forward contracts that are customized to the Company's economic hedging strategies and trade in the over-the-counter derivative market. The fair values of these derivatives are determined using a market approach valuation technique based on significant observable market inputs from third-party pricing vendors, non-binding broker-dealer quotes and/or recent trading activity. As the significant inputs used to price these derivatives are observable market inputs, the fair values of these derivatives are classified as Level 2.

Other underwriting-related derivatives include insurance and reinsurance contracts that are accounted for as derivatives. These derivative contracts are initially valued at cost which approximates fair value. In subsequent measurement periods, the fair values of these derivatives are determined using internally developed discounted cash flow models. As the significant inputs used to price these derivatives are unobservable, the fair values of these contracts are classified as Level 3.

Cash-Settled Awards

Cash-settled awards comprise restricted stock units that form part of the Company's compensation program. Although the fair values of these awards are determined using observable quoted market prices in active markets, the restricted stock units are not actively traded. As the significant inputs used to price these securities are observable market inputs, the fair values of these liabilities are classified as Level 2.

4. 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 September 30, 2023					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	$ 2,829,541	$ 31,092	$ —	$ —	$ 2,860,633

Non-U.S. government	—	670,255	—	—	670,255
Corporate debt	—	4,096,395	133,468	—	4,229,863
Agency RMBS	—	1,541,505	—	—	1,541,505
CMBS	—	865,051	—	—	865,051
Non-agency RMBS	—	137,804	—	—	137,804
ABS	—	1,266,868	—	—	1,266,868
Municipals	—	151,389	—	—	151,389
	2,829,541	8,760,359	133,468	—	11,723,368
Equity securities					
Common stocks	3,050	—	—	—	3,050
Preferred stocks	3	5,083	—	—	5,086
Exchange-traded funds	273,794	—	—	—	273,794
Bond mutual funds	—	274,332	—	—	274,332
	276,847	279,415	—	—	556,262
Other investments					
Multi-strategy funds	—	—	—	25,465	25,465
Direct lending funds	—	—	—	229,235	229,235
Private equity funds	—	—	—	283,838	283,838
Real estate funds	—	—	—	307,177	307,177
CLO-Equities	—	—	4,684	—	4,684
Other privately held investments	—	—	89,951	14,221	104,172
	—	—	94,635	859,936	954,571
Short-term investments	—	115,959	—	—	115,959
Other assets					
Derivative instruments (refer to Note 5)	—	4,466	—	—	4,466
Total Assets	$ 3,106,388	$ 9,160,199	$ 228,103	$ 859,936	$ 13,354,626
Liabilities					
Derivative instruments (refer to Note 5)	$ —	$ 9,666	$ —	$ —	$ 9,666
Cash-settled awards (refer to Note 8)	—	—	—	—	—
Total Liabilities	$ —	$ 9,666	$ —	$ —	$ 9,666

REFINITIV

	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 March 31, 2024					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	$ 2,576,715	$ 17,002	$ —	$ —	$ 2,593,717
Non-U.S. government	—	738,198	—	—	738,198
Corporate debt	—	4,789,463	126,475	—	4,915,938
Agency RMBS	—	1,585,620	—	—	1,585,620
CMBS	—	820,393	—	—	820,393
Non-agency RMBS	—	139,992	—	—	139,992
ABS	—	1,317,905	—	—	1,317,905
Municipals	—	157,547	—	—	157,547
	2,576,715	9,566,120	126,475	—	12,269,310
Equity securities					
Common stocks	2,452	—	—	—	2,452
Preferred stocks	2	5,700	—	—	5,702
Exchange-traded funds	287,166	—	—	—	287,166
Bond mutual funds	—	286,858	—	—	286,858
	289,620	292,558	—	—	582,178
Other investments					
Multi-strategy funds	—	—	—	24,950	24,950
Direct lending funds	—	—	—	168,987	168,987
Private equity funds	—	—	—	309,399	309,399
Real estate funds	—	—	—	309,545	309,545
CLO-Equities	—	—	4,986	—	4,986
Other privately held investments	—	—	96,255	20,602	116,857
	—	—	101,241	833,483	934,724
Short-term investments	—	75,879	—	—	75,879
Other assets					
Derivative instruments (refer to Note 5)	—	1,232	—	—	1,232

Total Assets	**$ 2,866,335**	**$ 9,935,789**	**$ 227,716**	**$ 833,483**	**$ 13,863,323**
Liabilities					
Derivative instruments (refer to Note 5)	$ —	$ 2,282	$ —	$ —	$ 2,282
Total Liabilities	**$ —**	**$ 2,282**	**$ —**	**$ —**	**$ 2,282**

4. FAIR VALUE MEASUREMENTS (CONTINUED)

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value based on NAV practical expedient	Total fair value
At December 31, 2022					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	$ 2,600,636	$ 38,694	$ —	$ —	$ 2,639,330
Non-U.S. government	—	562,029	—	—	562,029
Corporate debt	—	4,136,452	119,104	—	4,255,556
Agency RMBS	—	1,202,785	—	—	1,202,785
CMBS	—	947,778	—	—	947,778
Non-agency RMBS	—	133,534	—	—	133,534
ABS	—	1,429,527	—	—	1,429,527
Municipals	—	156,355	—	—	156,355
	2,600,636	8,607,154	119,104	—	11,326,894
Equity securities					

Common stocks	7,473	—	—	—	7,473
Preferred stocks	72	—	—	—	72
Exchange-traded funds	269,806	—	—	—	269,806
Bond mutual funds	—	207,902	—	—	207,902
	277,351	207,902	—	—	485,253
Other investments					
Multi-strategy funds	—	—	—	32,616	32,616
Direct lending funds	—	—	—	258,626	258,626
Private equity funds	—	—	—	265,836	265,836
Real estate funds	—	—	—	298,499	298,499
CLO-Equities	—	—	5,016	—	5,016
Other privately held investments	—	—	136,158	—	136,158
	—	—	141,174	855,577	996,751
Short-term investments	—	70,310	—	—	70,310
Other assets					
Derivative instruments (refer to Note 5)	—	37,682	—	—	37,682
Total Assets	$ 2,877,987	$ 8,923,048	$ 260,278	$ 855,577	$ 12,916,890
Liabilities					
Derivative instruments (refer to Note 5)	$ —	$ 703	$ —	$ —	$ 703
Cash-settled awards (refer to Note 8)	—	4,792	—	—	4,792
Total Liabilities	$ —	$ 5,495	$ —	$ —	$ 5,495

	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Fair value based on NAV practical expedient**	**Total fair value**
At December 31, 2023					
Assets					
Fixed maturities, available for sale					
U.S. government and agency	$ 2,989,612	$ 17,916	$ —	$ —	$ 3,007,528
Non-U.S. government	—	723,959	—	—	723,959

Corporate debt	—	4,338,419	135,753	—	4,474,172
Agency RMBS	—	1,634,661	—	—	1,634,661
CMBS	—	839,696	—	—	839,696
Non-agency RMBS	—	153,396	—	—	153,396
ABS	—	1,242,971	—	—	1,242,971
Municipals	—	158,359	—	—	158,359
	2,989,612	9,109,377	135,753	—	12,234,742
Equity securities					
Common stocks	2,546	—	—	—	2,546
Preferred stocks	1	5,600	—	—	5,601
Exchange-traded funds	287,275	—	—	—	287,275
Bond mutual funds	—	293,089	—	—	293,089
	289,822	298,689	—	—	588,511
Other investments					
Multi-strategy funds	—	—	—	24,619	24,619
Direct lending funds	—	—	—	192,270	192,270
Private equity funds	—	—	—	301,712	301,712
Real estate funds	—	—	—	317,325	317,325
CLO-Equities	—	—	5,300	—	5,300
Other privately held investments	—	—	87,289	20,898	108,187
	—	—	92,589	856,824	949,413
Short-term investments	—	17,216	—	—	17,216
Other assets					
Derivative instruments (refer to Note 5)	—	4,424	—	—	4,424
Total Assets	$ 3,279,434	$ 9,429,706	$ 228,342	$ 856,824	$ 13,794,306
Liabilities					
Derivative instruments (refer to Note 5)	$ —	$ 10,165	$ —	$ —	$ 10,165
Total Liabilities	$ —	$ 10,165	$ —	$ —	$ 10,165

4. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table quantifies the significant unobservable inputs used in estimating fair values at September 30, 2023 March 31, 2024 of investments classified as Level 3 in the fair value hierarchy:

	Asset fair value	Valuation technique	Unobservable input	Amount / Range	Weighted average
Other investments - CLO-Equities	$ 4,684	Discounted cash flow	Default rate	4.5%	4.5%
			Loss severity rate	50.0%	50.0%
			Collateral spread	3.0%	3.0%
			Estimated maturity date	5 years	5 years
Other investments - Other privately held investments	$ 17,097	Discounted cash flow	Discount rate	7.9%	7.9%
			Default rate	0.5%	0.5%
			Loss absorption yield	1.0%	1.0%
			Estimated maturity date	1-2 years	2 years

	Asset fair value	Valuation technique	Unobservable input	Amount / Range	Weighted average
Other investments - CLO-Equities	$ 4,986	Discounted cash flow	Default rate	4.5%	4.5%
			Loss severity rate	50.0%	50.0%
			Collateral spread	3.0%	3.0%
			Estimated maturity date	4 years	4 years
Other investments - Other privately held investments	$ 18,728	Discounted cash flow	Discount rate	6.0%	6.0%
			Default rate	0.5%	0.5%
			Loss absorption yield	1.0%	1.0%
			Estimated maturity date	0-2 years	1 year

Note: Fixed maturities of $133 $126 million that are classified as Level 3 are excluded from the above table as these securities are priced using broker-dealer quotes. In addition, other privately held investments of $73 $78 million that are classified as Level 3 are excluded from the above table as these investments are priced using capital statements received from investee companies.

Other Investments - CLO-Equities

The CLO-Equities market continues to be relatively inactive with only a small number of transactions being observed, particularly related to transactions involving CLO-Equities held by the Company. Accordingly, the fair value of the Company's indirect investment in CLO-Equities is determined using a discounted cash flow model prepared by an external investment manager.

The default and loss severity rates are the most judgmental unobservable market inputs to the discounted cash flow model to which the valuation of the Company's indirect investment in CLO-Equities is most sensitive. A significant increase (decrease) in either of these significant inputs in isolation would result in a lower (higher) fair value estimate for the investment in CLO-Equities and, in general, a change in default rate assumptions would be accompanied by a directionally similar change in loss severity rate assumptions. Collateral spreads and estimated maturity dates are less judgmental inputs as they are based on the historical average of actual spreads and the weighted average life of the current underlying portfolios, respectively. A significant increase (decrease) in either of these significant inputs in isolation would result in a higher (lower) fair value estimate for the investment in CLO-Equities. In general, these inputs have no significant interrelationship with each other or with default and loss severity rates.

On a quarterly basis, the Company's valuation process for its indirect investment in CLO-Equities includes a review of the underlying cash flows and key assumptions used in the discounted cash flow model. The above significant unobservable inputs are reviewed and updated based on information obtained from secondary markets, including information received from the managers of the Company's CLO-Equities investment. In order to assess the reasonableness of the inputs the Company uses in the discounted cash flow model, the Company maintains an understanding of current market conditions, historical results, and emerging trends that may impact future cash flows. In addition, the assumptions the Company uses in its models are updated through regular communication with industry participants and ongoing ongoing monitoring of the deals in which the Company participates.

Other Investments - Other Privately Held Securities

Other privately held securities are initially valued at cost which approximates fair value. In subsequent measurement periods, the fair value of the variable yield security was determined using an externally developed discounted cash flow model. This model includes inputs that are specific to that investment. The inputs used in the fair value measurement include an appropriate discount rate, default rate, loss absorption rate and estimated maturity date. The selection of an appropriate discount rate is judgmental and is the most significant unobservable input used in the valuation of this investment. A significant increase (decrease) in this input in isolation could result in significantly lower (higher) fair value measurement for this investment. In order to assess the reasonableness of the inputs the Company uses in the discounted cash flow model, the Company maintains an understanding of current market conditions, historical results, as well as investee specific information that may impact future cash flows.

4. 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)
Three months ended September 30, 2023										
Fixed maturities, available for sale										
Corporate debt	$ 129,046	$ —	$ —	$ (733)	$ (1,243)	$ 9,717	$ —	$ (3,319)	$ 133,468	$ —
	129,046	—	—	(733)	(1,243)	9,717	—	(3,319)	133,468	—
Other investments										
CLO-Equities	4,877	—	—	333	—	—	—	(526)	4,684	333
Other privately held investments	115,048	—	(25,510)	(1,348)	—	1,761	—	—	89,951	(1,348)
	119,925	—	(25,510)	(1,015)	—	1,761	—	(526)	94,635	(1,015)
Total assets	$ 248,971	$ —	$ (25,510)	$ (1,748)	$ (1,243)	$ 11,478	$ —	$ (3,845)	$ 228,103	$ (1,015)
Other liabilities										
Derivative instruments	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total liabilities	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Nine months ended September 30, 2023										
Fixed maturities, available for sale										
Corporate debt	$ 119,104	$ —	$ —	$ (4,043)	$ (1,414)	$ 34,178	$ —	$ (14,357)	$ 133,468	$ —
	119,104	—	—	(4,043)	(1,414)	34,178	—	(14,357)	133,468	—
Other investments										
CLO-Equities	5,016	—	—	1,236	—	—	—	(1,568)	4,684	1,236
Other privately held investments	136,158	—	(25,510)	(7,242)	—	21,077	(34,532)	—	89,951	(15,324)

	141,174	—	(25,510)	(6,006)	—	21,077	(34,532)	(1,568)	94,635	(14,088)
Total assets	$ 260,278	$ —	$ (25,510)	$ (10,049)	$ (1,414)	$ 55,255	$ (34,532)	$ (15,925)	$ 228,103	$ (14,088)
Other liabilities										
Derivative instruments	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total liabilities	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —

	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)
Three months ended March 31, 2024										
Fixed maturities, available for sale										
Corporate debt	$ 135,753	$ —	$ —	$ (834)	$ (495)	$ 4,231	$ —	$ (12,180)	$ 126,475	$ —
	135,753	—	—	(834)	(495)	4,231	—	(12,180)	126,475	—
Other investments										
CLO-Equities	5,300	—	—	—	—	—	—	(314)	4,986	—
Other privately held investments	87,289	—	—	1,728	—	7,238	—	—	96,255	1,728
	92,589	—	—	1,728	—	7,238	—	(314)	101,241	1,728
Total assets	$ 228,342	$ —	$ —	$ 894	$ (495)	$ 11,469	$ —	$ (12,494)	$ 227,716	$ 1,728
Three months ended March 31, 2023										
Fixed maturities, available for sale										
Corporate debt	$ 119,104	$ —	$ —	$ (7)	$ 1,183	$ 18,910	$ —	$ (8,763)	$ 130,427	$ —
	119,104	—	—	(7)	1,183	18,910	—	(8,763)	130,427	—
Other investments										
CLO-Equities	5,016	—	—	411	—	—	—	(408)	5,019	411
Other privately held investments	136,158	—	—	336	—	4,459	—	—	140,953	336
	141,174	—	—	747	—	4,459	—	(408)	145,972	747
Total assets	$ 260,278	$ —	$ —	$ 740	$ 1,183	$ 23,369	$ —	$ (9,171)	$ 276,399	$ 747

(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.

4. FAIR VALUE MEASUREMENTS (CONTINUED)

	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)
Three months ended September 30, 2022										
Fixed maturities, available for sale										
Corporate debt	$ 72,830	$ —	$ —	$ (34)	$ (3,977)	$ 27,600	$ —	$ (468)	$ 95,951	$ —
	72,830	—	—	(34)	(3,977)	27,600	—	(468)	95,951	—
Other investments										
CLO-Equities	4,808	—	—	890	—	—	—	(531)	5,167	890
Other privately held investments	115,970	—	—	1,249	—	2,700	—	—	119,919	1,249
	120,778	—	—	2,139	—	2,700	—	(531)	125,086	2,139
Total assets	$ 193,608	$ —	$ —	$ 2,105	$ (3,977)	$ 30,300	$ —	$ (999)	$221,037	$ 2,139
Other liabilities										
Derivative instruments	$ 4,708	$ —	$ —	$ (422)	$ —	$ —	$ —	$ —	$ 4,286	$ (422)
Total liabilities	$ 4,708	$ —	$ —	$ (422)	$ —	$ —	$ —	$ —	$ 4,286	$ (422)

Nine months ended September 30, 2022										
Fixed maturities, available for sale										
Corporate debt	$ 42,894	$ —	$ —	$ (34)	$ (10,600)	$ 64,832	$ —	$ (1,141)	$ 95,951	$ —
	42,894	—	—	(34)	(10,600)	64,832	—	(1,141)	95,951	—
Other investments										
CLO-Equities	5,910	—	—	2,566	—	—	—	(3,309)	5,167	2,566
Other privately held investments	104,521	—	—	(2,242)	—	19,640	—	(2,000)	119,919	(2,242)
	110,431	—	—	324	—	19,640	—	(5,309)	125,086	324
Total assets	$ 153,325	$ —	$ —	$ 290	$ (10,600)	$ 84,472	$ —	$ (6,450)	$221,037	$ 324
Other liabilities										
Derivative instruments	$ 5,630	$ —	$ —	$ (1,344)	$ —	$ —	$ —	$ —	$ 4,286	$ (1,344)
Total liabilities	$ 5,630	$ —	$ —	$ (1,344)	$ —	$ —	$ —	$ —	$ 4,286	$ (1,344)

(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.

The transfers into and out of fair value hierarchy levels reflect the fair values of the securities at the end of the reporting period.

Transfers into Level 3 from Level 2

There were no transfers into Level 3 from Level 2 during the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

Transfers out of Level 3 into Level 2

There were no transfers out of Level 3 into Level 2 during the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

Other Transfers out of Level 3

During the three months ended September 30, 2023, two early-stage venture capital funds included in other privately held investments in the consolidated balance sheets were transferred from Level 3 to the NAV practical expedient. In addition, the Company's investment in Monarch Point Re was transferred from Level 3 to Equity method investments (refer to Note 3(f) '*Equity Method Investments*', Note 6 *'Reserve for Losses and Loss Expenses'* and Note 14 *'Related Party Transactions'*).

---

4. FAIR VALUE MEASUREMENTS (CONTINUED)

Measuring the Fair Value of Other Investments Using Net Asset Valuations

The fair values of hedge multi-strategy funds, direct lending funds, private equity funds, real estate funds and two early-stage venture capital private company investment funds are estimated using net asset valuations ("NAVs") as advised by external fund managers or third-party administrators. For these funds, NAVs are based on the manager's or administrator's valuation of the underlying holdings in accordance with the fund's governing documents and in accordance with U.S. GAAP.

For hedge multi-strategy funds, direct lending funds, private equity funds, real estate funds and two early-stage venture capital private company investment funds, valuation statements are typically released on a reporting lag, therefore, 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 September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 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 hedge multi-strategy funds, direct lending funds, private equity funds, real estate funds and two early-stage venture capital 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.

---

4. 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 September 30, 2023 March 31, 2024, 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 September 30, 2023 March 31, 2024, the Company's fixed maturities, held to maturity, were recorded at amortized cost with a carrying value of $713 $693 million (2022: $698 (2023: $686 million) and a fair value of $697 $684 million (2022: $675 (2023: $676 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 September 30, 2023 March 31, 2024, 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 September 30, 2023 March 31, 2024, the Company's debt was recorded at amortized cost with a carrying value of $1,313 million (2022: $1,312 million $1,314 million (2023: $1,314 million) and a fair value of $1,143 million (2022: $1,160 million $1,204 million (2023: $1,198 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 September 30, 2023 March 31, 2024, Federal Home Loan Bank advances were recorded at amortized cost with a carrying value of $86 million (2022: $81 million (2023: $86 million) and a fair value of $86 million (2022: $81 million (2023: $86 million). As these advances are not actively traded, their fair values are classified as Level 2.

35 33

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

5. DERIVATIVE INSTRUMENTS

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

	September 30, 2023			December 31, 2022		
	Derivative notional amount	Derivative asset fair value(1)	Derivative liability fair value(1)	Derivative notional amount	Derivative asset fair value(1)	Derivative liability fair value(1)
Relating to investment portfolio:						
Foreign exchange forward contracts	**$ 132,246**	**$ 1,144**	**$ 32**	$ 54,076	$ 81	$ 559
Relating to underwriting portfolio:						
Foreign exchange forward contracts	**1,218,702**	**3,322**	**9,634**	1,441,273	37,601	144
Total derivatives		**$ 4,466**	**$ 9,666**		$ 37,682	$ 703

	March 31, 2024			December 31, 2023		
	Derivative notional amount	Derivative asset fair value(1)	Derivative liability fair value(1)	Derivative notional amount	Derivative asset fair value(1)	Derivative liability fair value(1)
Relating to investment portfolio:						
Foreign exchange forward contracts	**$ 110,733**	**$ 204**	**$ 2**	$ 49,307	$ 66	$ 274
Relating to underwriting portfolio:						
Foreign exchange forward contracts	**1,547,244**	**1,028**	**2,280**	1,347,559	4,358	9,891
Total derivatives		**$ 1,232**	**$ 2,282**		$ 4,424	$ 10,165

(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:

	September 30, 2023			December 31, 2022		
	Gross amounts	Gross amounts offset	Net amounts(1)	Gross amounts	Gross amounts offset	Net amounts(1)
Derivative assets	**$ 12,534**	**$ (8,068)**	**$ 4,466**	$ 41,762	$ (4,080)	$ 37,682
Derivative liabilities	**$ 17,734**	**$ (8,068)**	**$ 9,666**	$ 4,783	$ (4,080)	$ 703

	March 31, 2024			December 31, 2023		
	Gross amounts	Gross amounts offset	Net amounts(1)	Gross amounts	Gross amounts offset	Net amounts(1)
Derivative assets	**$ 4,516**	**$ (3,284)**	**$ 1,232**	$ 8,708	$ (4,284)	$ 4,424
Derivative liabilities	**$ 5,566**	**$ (3,284)**	**$ 2,282**	$ 14,449	$ (4,284)	$ 10,165

(1) Net asset and liability derivatives are classified within other assets and other liabilities in the consolidated balance sheets.

Refer to Note 3 *'Investments'* for information on reverse repurchase agreements.

a) Relating to Investment Portfolio

Foreign Currency Risk

The Company's investment portfolio is exposed to foreign currency risk. Therefore, the fair values of its investments are partially influenced by changes in foreign exchange rates. The Company may enter into foreign exchange forward contracts to manage the effect of this foreign currency risk. These foreign currency hedging activities are not designated as specific hedges for financial reporting purposes.

5. DERIVATIVE INSTRUMENTS (CONTINUED)

b) Relating to Underwriting Portfolio

Foreign Currency Risk

The Company's insurance and reinsurance subsidiaries and branches operate in various countries. Some of its business is written in currencies other than the U.S. dollar, therefore the underwriting portfolio is exposed to significant foreign currency risk. The Company manages foreign currency risk by seeking to match its foreign-denominated net liabilities under insurance and reinsurance contracts with cash and investments that are denominated in the same currencies. The Company uses derivative instruments, specifically, forward contracts to economically hedge foreign currency exposures.

Other Underwriting-related Risks

The Company enters into insurance and reinsurance contracts that are accounted for as derivatives. These insurance or reinsurance contracts provide indemnification to an insured or cedant as a result of a change in a variable as opposed to an identifiable insurable event. The Company considers these contracts to be part of its underwriting operations.

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

	Consolidated statement of operations line item that includes gain (loss) recognized in net income (loss)	Three months ended September 30,		Nine months ended September 30,	
		2023	2022	2023	2022
Relating to investment portfolio:					

Foreign exchange forward contracts	Net investment gains (losses)	**$ 1,692**	$ 4,400	**$ 218**	$ 11,463
Relating to underwriting portfolio:					
Foreign exchange forward contracts	Foreign exchange (losses) gains	**(7,208)**	(36,577)	**1,030**	(95,700)
Other underwriting-related contracts	Other insurance related income (loss)	**—**	421	**—**	1,343
Total		**$ (5,516)**	$ (31,756)	**$ 1,248**	$ (82,894)

	Consolidated statement of operations line item that includes gain (loss) recognized in net income (loss)	Three months ended March 31,	
		2024	**2023**
Relating to investment portfolio:			
Foreign exchange forward contracts	Net investment gains (losses)	**$ 795**	$ (947)
Relating to underwriting portfolio:			
Foreign exchange forward contracts	Foreign exchange (losses) gains	**(2,015)**	11,250
Total		**$ (1,220)**	$ 10,303

37 35

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

6. RESERVE FOR LOSSES AND LOSS EXPENSES

Reserve Roll-Forward

The following table presents a reconciliation of the Company's beginning and ending gross reserve for losses and loss expenses and net reserve for unpaid losses and loss expenses:

	Nine months ended September 30,	

	2023	2022
Gross reserve for losses and loss expenses, beginning of period	**$ 15,168,863**	$ 14,653,094
Less reinsurance recoverable on unpaid losses and loss expenses, beginning of period	**(5,831,172)**	(5,017,611)
Net reserve for unpaid losses and loss expenses, beginning of period	**9,337,691**	9,635,483
Net incurred losses and loss expenses related to:		
Current year	**2,253,958**	2,461,828
Prior years	**(13,118)**	(17,632)
	2,240,840	2,444,196
Net paid losses and loss expenses related to:		
Current year	**(272,260)**	(269,466)
Prior years	**(1,730,640)**	(1,900,366)
	(2,002,900)	(2,169,832)
Foreign exchange and other	**(51,902)**	(501,914)
Net reserve for unpaid losses and loss expenses, end of period	**9,523,729**	9,407,933
Reinsurance recoverable on unpaid losses and loss expenses, end of period	**6,031,527**	5,244,263
Gross reserve for losses and loss expenses, end of period	**$ 15,555,256**	$ 14,652,196

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 the nine months ended September 30, 2023, the Company recognized catastrophe and weather-related losses, net of reinstatement premiums, of $112 million (2022: $339 million).

On September 22, 2023, the Company entered into a retrocession reinsurance agreement with a third-party reinsurer which was deemed to have met the established criteria for retroactive reinsurance accounting. At September 30, 2023, foreign exchange and other included an increase in reinsurance recoverable on unpaid losses of $76 million related to this transaction (refer to Note 3(f) '*Equity Method Investments*', Note 4 *'Fair Value Measurements'* and Note 14 *'Related Party Transactions'*).

	Three months ended March 31,	
	2024	2023
Gross reserve for losses and loss expenses, beginning of period	**$ 16,434,018**	$ 15,168,863
Less reinsurance recoverable on unpaid losses and loss expenses, beginning of period	**(6,323,083)**	(5,831,172)
Net reserve for unpaid losses and loss expenses, beginning of period	**10,110,935**	9,337,691
Net incurred losses and loss expenses related to:		

Current year	**728,671**	724,680
Prior years	**—**	(4,038)
	728,671	720,642
Net paid losses and loss expenses related to:		
Current year	**(50,724)**	(38,662)
Prior years	**(612,571)**	(574,538)
	(663,295)	(613,200)
Foreign exchange and other	**(48,602)**	46,094
Net reserve for unpaid losses and loss expenses, end of period	**10,127,709**	9,491,227
Reinsurance recoverable on unpaid losses and loss expenses, end of period	**6,503,188**	5,823,417
Gross reserve for losses and loss expenses, end of period	**$ 16,630,897**	$ 15,314,644

Estimates for Significant Catastrophe Events

At September 30, 2023 March 31, 2024, net reserves for losses and loss expenses included estimated amounts for numerous catastrophe events. The magnitude and complexity of losses arising from certain of these events inherently increase the level of uncertainty and, therefore, the level of management judgment involved in arriving at estimated net reserves for losses and loss expenses. These events include Cyclone Gabrielle, Earthquake in Turkey, Maui wildfires, New Zealand floods and Hurricane Idalia in 2023, Hurricane Ian, Winter Storm Elliot, June European Convective Storms, the Russia-Ukraine war and COVID-19 which occurred in 2022, Hurricane Ida, U.S. Winter Storms Uri and Viola and July European Floods in 2021, and the COVID-19 pandemic, Hurricanes Laura, Sally, Zeta and Delta, the Midwest derecho and wildfires across the West Coast of the United States in 2020. 2022. As a result, actual losses for these events may ultimately differ materially from current estimates. During the three months ended March 31, 2024, the Company recognized catastrophe and weather-related losses, net of reinsurance, of $20 million (2023: $38 million).

38 36

AXIS CAPITAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

6. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

Prior Year Reserve Development

The Company's net favorable prior year reserve development arises from changes to estimates of losses and loss expenses related to loss events that occurred in previous calendar years. The following table presents net prior year reserve development by segment:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
	Favorable (Adverse)	**Favorable (Adverse)**	**Favorable (Adverse)**	**Favorable (Adverse)**
Insurance	**$ 1,609**	$ 2,558	**$ 5,433**	$ 12,396
Reinsurance	**1,153**	2,177	**7,685**	5,236
Total	**$ 2,762**	$ 4,735	**$ 13,118**	$ 17,632

	Three months ended March 31,	
	2024	**2023**
	Favorable (Adverse)	**Favorable (Adverse)**
Insurance	**$ —**	$ 1,041
Reinsurance	**—**	2,997
Total	**$ —**	$ 4,038

The following sections provide further details on net prior year reserve development by segment, line of business and accident year:

Insurance Segment:

Prior year reserve development by line of business was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
	Favorable (Adverse)	**Favorable (Adverse)**	**Favorable (Adverse)**	**Favorable (Adverse)**
Property	**$ (10,068)**	$ 12,888	**$ (4,376)**	$ 23,668
Accident and health	**(5,213)**	(7,677)	**(5,765)**	(5,379)
Marine and aviation	**19,472**	20,550	**35,374**	38,128
Cyber	**10,869**	(712)	**19,997**	6,385

Professional lines	**(4,383)**	(2,036)	**(20,475)**	(10,322)
Credit and political risk	**3,374**	8,106	**16,323**	13,288
Liability	**(12,442)**	(28,561)	**(35,645)**	(53,372)
Total	**$ 1,609**	$ 2,558	**$ 5,433**	$ 12,396

	Three months ended March 31,	
	2024	**2023**
	Favorable (Adverse)	**Favorable (Adverse)**
Property	**$ 8,011**	$ 5,900
Accident and health	**—**	(304)
Marine and aviation	**(8,011)**	13,221
Cyber	**—**	8,452
Professional lines	**—**	(12,594)
Credit and political risk	**—**	4,519
Liability	**—**	(18,153)
Total	**$ —**	$ 1,041

2024

For the three months ended September 30, 2023 March 31, 2024, net favorable prior year reserve development of $2 million $nil was recognized, the principal components of which were:

- $19 8 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence mainly related to the 2021 and 2022 accident years.
- $8 million of net adverse prior year reserve development on marine and aviation business primarily due to an increase in the loss estimate attributable to a specific large claim related to the 2019 accident year.

2023

For the three months ended March 31, 2023, the Company recognized $1 million of net favorable prior year reserve development, the principal components of which were:

- $13 million of net favorable prior year reserve development on marine and aviation business primarily due to better than expected loss emergence attributable to the marine liability and marine cargo books of business mainly related to recent accident years.

- $11 million of net favorable prior year reserve development on cyber business primarily due to better than expected loss emergence mainly related to the 2021 and 2022 accident years, partially offset by increases in loss estimates attributable to specific large claims related to the 2020 accident year.

- $12 million of net adverse prior year reserve development on liability business primarily due to increases in loss estimates attributable to specific large claims within the U.S. excess casualty general liability book of business related to the 2018 through 2021 accident years, and U.S. programs books of business mainly related to recent accident years.

- $10 million of net adverse prior year reserve development on property business primarily due to increases in loss estimates attributable to two specific large claims within the E&S property book of business related to the 2016 and 2022 accident years.

- $5 8 million of net adverse prior year reserve development on accident and health business primarily due to reserve strengthening within the international book of business mainly related to the 2021 and 2022 accident years.

For the three months ended September 30, 2022, net favorable prior year reserve development of $3 million was recognized, the principal components of which were:

- $21 millionof net favorable prior year reserve development on marine and aviation cyber business primarily due to better than expected loss emergence attributable to the marine cargo and specie, marine liability, and marine offshore energy books of business mainly related to the 2020 2019 and 2021 older accident years.

- $13 6 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence attributable to 2020 catastrophe events, 2018 and older accident years, partially offset by reserve strengthening within the U.S. programs book of business mainly related to the 2021 accident year. year.

- $8 5 million of net favorable prior year reserve development on credit and political risk business primarily due to better than expected loss emergence mainly related to the 2016 through 2020 accident years.

- $29 million of net adverse prior year reserve development on liability business primarily due to reserve strengthening within the U.S. programs book of business mainly related to the 2018 and 2019 accident years, and the U.S. primary casualty and U.S. excess casualty books of business mainly related to the 2017 through 2021 accident years.

- $8 million of net adverse prior year reserve development on accident and health business primarily due to reserve strengthening mainly related to the 2020 and 2021 accident years.

For the nine months ended September 30, 2023, net favorable prior year reserve development of $5 million was recognized, the principal components of which were:

- $35 million of net favorable prior year reserve development on marine and aviation business primarily due to better than expected loss emergence attributable to the marine cargo and aviation books of business related to recent accident years.

- $20 million of net favorable prior year reserve development on cyber business primarily due to better than expected loss emergence related to most accident years, partially offset by increases in loss estimates attributable to specific large claims related to the 2020 accident year.

- $16 million of net favorable prior year reserve development on credit and political risk business primarily due to a decrease in the loss estimate attributable to a specific large claim related to the 2020 accident year and better than expected loss emergence attributable to the Lloyds book of business related to recent several accident years.

- $36 18 million of net adverse prior year reserve development development on liability business primarily due to reserve strengthening within the U.S. primary casualty book of business mainly related to the 2017 through 2019 accident years, 2015, 2018 and increases in loss estimates attributable to specific large claims within the U.S. excess casualty general liability book of business mainly related to the 2017 through 2021 accident years and U.S. programs book of business mainly related to recent accident years.

- $20 13 million of net adverse prior year reserve development on professional lines business primarily due to reserve strengthening within the U.S. commercial management solutions book of business related to several accident years and U.S. financial institutions book of business mainly related to the 2009 and 2018 accident years, U.S. commercial management solutions book of business mainly related the 2017 through 2019 accident years, and U.S. design professional and environmental book of business mainly related to the 2019 accident year.

- *$6 million of net adverse prior* *Reinsurance Segment:*

Prior year reserve development on accident and health business primarily due to reserve strengthening within the international book by line of business mainly related to the 2021 and 2022 accident years.was as follows:

	Three months ended March 31,	
	2024	**2023**

		Favorable (Adverse)		Favorable (Adverse)
Accident and health	$	—	$	6,988
Agriculture		—		11,891
Marine and aviation		—		(250)
Professional lines		—		(3,225)
Credit and surety		—		(546)
Motor		—		(17,122)
Liability		—		(32,853)
Run-off lines				
Catastrophe		—		31,058
Property		—		6,883
Engineering		—		173
Total run-off lines		—		38,114
Total	$	—	$	2,997

2024

For the nine three months ended September 30, 2022 March 31, 2024, net favorable prior year reserve development of $12 million $nil was recognized.

2023

For the three months ended March 31, 2023, the Company recognized the principal components of which were:

- $38 million $3 million of net favorable prior year reserve development, the principal components of which were:
- $12 million of net favorable development on marine and aviation agriculture business primarily due to better than expected loss emergence attributable to the marine cargo and specie, and marine offshore energy books of business mainly related to the 2018, 2020 2022 accident year.
- $7 million of net favorable development on accident and 2021 accident years, and aviation health business primarily due to better than expected loss emergence mainly related to the 2021 2022 accident year.

6. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- $24 million of net favorable prior year reserve development on property business primarily due to better than expected loss emergence attributable to 2018 and 2020 catastrophe events, and decreases in loss estimates attributable to specific large claims related to the 2017 accident year.
- $13 million of net favorable prior year reserve development on credit and political risk business primarily due to better than expected loss emergence mainly related to the 2017, 2018 and 2020 accident years.
- $6 million of net favorable prior year reserve development on cyber business primarily due to better than expected loss emergence mainly related to several accident years, partially offset by an increase in the loss estimate attributable to a specific large claim related to the 2021 accident year.
- $53 million of net adverse prior year reserve development on liability business primarily due to reserve strengthening within the U.S programs book of business mainly related to the 2017 through 2021 accident years and an increase in the loss estimate attributable to a specific large claim related to the 2017 accident year.
- $10 million of net adverse prior year reserve development on professional lines business primarily due to increases in loss estimates attributable to specific large claims related to the 2015 and 2019 accident years, and reserve strengthening within run-off lines of business mainly related to the 2018 accident year.
- $5 million of net adverse prior year reserve development on accident and health business primarily due to reserve strengthening mainly related to the 2019 and 2020 accident years.

Reinsurance Segment:

Prior year reserve development by line of business was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
	Favorable (Adverse)	**Favorable (Adverse)**	**Favorable (Adverse)**	**Favorable (Adverse)**
Accident and health	**$ 5,842**	$ 6,799	**$ 20,115**	$ 8,486
Agriculture	**729**	855	**14,741**	9,228
Marine and aviation	**3,576**	(785)	**8,523**	(1,185)
Professional lines	**(9,044)**	(11,431)	**(22,772)**	(41,954)
Credit and surety	**9,625**	5,905	**8,498**	16,953
Motor	**(1,302)**	6,849	**(23,248)**	8,979
Liability	**(15,222)**	(11,940)	**(55,092)**	(22,868)

Total	**(5,796)**	(3,748)	**(49,235)**	(22,361)
Run-off lines				
Catastrophe	**1,436**	(1,452)	**39,982**	(2,391)
Property	**3,421**	9,145	**12,568**	33,738
Engineering	**2,092**	(1,768)	**4,370**	(3,750)
Total run-off lines	**6,949**	5,925	**56,920**	27,597
Total	**$ 1,153**	$ 2,177	**$ 7,685**	$ 5,236

For the three months ended September 30, 2023, net favorable prior year reserve development of $1 million was recognized, the principal components of which were:

- $10 million of net favorable development on credit and surety business primarily due to better than expected loss emergence attributable to the international credit and mortgage books of business mainly related to recent accident years.
- $6 million of net favorable development on accident and health business primarily due to better than expected loss emergence mainly related to the 2022 accident year.

6. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

- $15 33 million of net adverse development on liability business primarily due to reserve strengthening within the U.S. books to reflect increased estimates of business related future loss trend due to several accident years, partially offset by a decrease inflation, increases in the loss estimate estimates attributable to a specific one large claim within the international European book of business related to the 2010 2021 accident year.
- $9 million of net adverse development on professional lines business primarily due to reserve strengthening within the U.S. proportional book of business mainly related to the 2017 through 2019 accident years, year and reserve strengthening attributable to two cedants within the U.S. proportional book of business related to 2019 and older accident years.

For the three months ended September 30, 2022, net favorable prior year reserve development of $2 million was recognized, the principal components of which were:

- $7 17 million of net favorable prior year reserve adverse development on motor business primarily due to better than expected reserve strengthening to reflect increased estimates of future loss emergence mainly related to the 2017 and 2018 accident years.

- $7 million of net favorable prior year reserve development on accident and health business primarily trend due to better than expected loss emergence mainly related to the 2019 through 2021 accident years.

- $6 million of net favorable prior year reserve development on credit and surety business primarily due to better than expected loss emergence mainly related to the 2015, 2018 and 2019 accident years.

- $12 million of net adverse prior year development on liability business primarily due to reserve strengthening within the U.S. multiline and U.S. casualty books of business mainly related to 2016 and older accident years.

- $11 million of net adverse prior year development on professional lines business primarily due to reserve strengthening within the U.S. public D&O and U.S. proportional books of business mainly related to 2017 and older accident years. inflation.

Run-off lines

- $9 31 million of net favorable prior year development on property business primarily due to better than expected loss emergence attributable to 2018 catastrophe events and decreases in loss estimates attributable to specific large claims related to the 2019 through 2021 accident years.

For the nine months ended September 30, 2023, net favorable prior year reserve development of $8 million was recognized, the principal components of which were:

- $20 million of net favorable prior year development on accident and health business primarily due to better than expected loss emergence mainly related to the 2022 accident year.

- $15 7 million of net favorable prior year development on agriculture business primarily due to better than expected loss emergence mainly related to the 2022 accident year.

- $9 million of net favorable prior year development on marine and aviation business primarily due to better than expected loss emergence mainly related to the 2021 and 2022 accident years.

- $8 million of net favorable prior year development on credit and surety business primarily due to better than expected loss emergence attributable to international credit and mortgage books of business mainly related to the 2021 and 2022 accident years.

- $55 million of net adverse prior year development on liability business primarily due to reserve strengthening within the U.S. proportional, non-proportional and multiline books of business related to several accident years, partially offset by a decrease in the loss estimate attributable to a specific large claim within the international book of business related to the 2010 accident year.

- $23 million of net adverse prior year development on motor business primarily due to reserve strengthening to reflect increased estimates of future loss trend due to inflation and reserve strengthening attributable to the proportional book of business mainly related to the 2018 through 2022 accident years.

- $23 million of net adverse prior year reserve development on professional lines business primarily due to reserve strengthening within the U.S. proportional book of business mainly related to the 2015 through 2018 accident years, and

---

6. RESERVE FOR LOSSES AND LOSS EXPENSES (CONTINUED)

reserve strengthening attributable to two cedants within the U.S. proportional book of business related to 2019 and older accident years.

Run-off lines

- $40 million of net favorable prior year development on catastrophe business primarily due to better than expected loss emergence.

- $13 million of net favorable prior year development on property business primarily due to better than expected loss emergence mainly related to catastrophe events.

For the nine months ended September 30, 2022, net favorable prior year reserve development of $5 million was recognized, the principal components of which were:

- $17 million of net favorable prior year reserve development on credit and surety business primarily due to better than expected loss emergence mainly related to the 2015, 2016, 2018 and 2019 accidents years.

- $9 million of net favorable prior year reserve development on agriculture business primarily due to better than expected loss emergence mainly related to the 2021 accident year.

- $9 million of net favorable prior year reserve development on motor business primarily due to better than expected loss emergence mainly related to the 2018 and 2019 accident years.

- $8 million of net favorable prior year reserve development on accident and health business primarily due to better than expected loss emergence mainly related to the 2019 through 2021 accident years.

- $42 million of net adverse prior year development on professional lines business primarily due to increases in loss estimates attributable to one cedant related to the 2016 to 2018 accident years, and a specific large claim related to the 2017 accident year, and reserve strengthening within the U.S. public D&O and U.S. proportional books of business related to 2017 and older accident years.

- $23 million of net adverse prior year development on liability business primarily due to worse than expected loss emergence within the U.S. book of business related to the 2016 and older accident years, and increases in loss estimates attributable to specific large claims related to the 2003, 2015, 2018 and 2021 accident years.

Run-off lines

- $34 million of net favorable prior year development on property business primarily due to better than expected loss emergence attributable to 2018 through 2021 2022 catastrophe events.

---

7. EARNINGS PER COMMON SHARE

The following table presents a comparison of earnings per common share and earnings per diluted common share:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Earnings (loss) per common share				
Net income (loss)	**$ 188,098**	$ (9,384)	**$ 518,870**	$ 174,592
Less: Preferred share dividends	**7,563**	7,563	**22,688**	22,688
Net income (loss) available (attributable) to common shareholders	**$ 180,535**	$ (16,947)	**$ 496,182**	$ 151,904
Weighted average common shares outstanding	**85,223**	84,660	**85,099**	84,930
Earnings (loss) per common share	**$ 2.12**	$ (0.20)	**$ 5.83**	$ 1.79
Earnings (loss) per diluted common share				
Net income (loss) available (attributable) to common shareholders	**$ 180,535**	$ (16,947)	**$ 496,182**	$ 151,904
Weighted average common shares outstanding	**85,223**	84,660	**85,099**	84,930
Share-based compensation plans	**885**	—	**828**	744
Weighted average diluted common shares outstanding	**86,108**	84,660	**85,927**	85,674
Earnings (loss) per diluted common share	**$ 2.10**	$ (0.20)	**$ 5.77**	$ 1.77

Weighted average anti-dilutive shares excluded from the dilutive computation	**58**	160	**533**	432

(1) Due to the net loss attributable to common shareholders recognized for the three months ended September 30, 2022, the share equivalents were anti-dilutive.

	Three months ended March 31,	
	2024	**2023**
Earnings per common share		
Net income	**$ 395,459**	$ 180,097
Less: Preferred share dividends	**7,563**	7,563
Net income available to common shareholders	**$ 387,896**	$ 172,534
Weighted average common shares outstanding	**84,879**	84,864
Earnings per common share	**$ 4.57**	$ 2.03
Earnings per diluted common share		
Net income available to common shareholders	**$ 387,896**	$ 172,534
Weighted average common shares outstanding	**84,879**	84,864
Share-based compensation plans	**814**	989
Weighted average diluted common shares outstanding	**85,693**	85,853
Earnings per diluted common share	**$ 4.53**	$ 2.01
Weighted average anti-dilutive shares excluded from the dilutive computation	**748**	805

8. SHARE-BASED COMPENSATION

Performance Restricted Stock Units

Performance Restricted Stock Units granted in 2023 2024 with a market condition

Share-settled Certain share-settled performance restricted stock units granted in 2023 2024 include a market condition which is the Company's total shareholder return relative to its peer group ("Relative TSR") over the performance period. Relative TSR is calculated in accordance with the terms of the applicable award agreement. If performance goals are achieved, these awards will cliff vest at the end of a three-year performance period within a range of 0% to 200% of target.

Performance Restricted Stock Units granted in the three months ended March 31, 2023 in relation to senior leadership transition 2024 with a performance condition

Share-settled Certain share-settled performance restricted stock units granted in the three months ended March 31, 2023to one senior leader 2024 include a market performance condition which is the Company's total shareholder return relative to its peer group ("Relative TSR") average annual growth in book value per diluted common share, plus accumulated dividends over the performance period. Relative TSR is calculated period, adjusted to exclude unrealized investment gains (losses) recognized in accordance with accumulated other comprehensive income, and share repurchases during the terms of the applicable award agreement. If performance goals are achieved, fifty percent of these awards will vest at the end of a one-year performance period and the remaining fifty percent of these awards will vest at the end of a three-year vest period within a range of 0% to 200% of target.

Performance Restricted Stock Units granted in the three months ended June 30, 3023 in relation to senior leadership transition

Share-settled performance restricted stock units granted in the three months ended June 30, 2023 to one senior leader include a market condition which is the Company's total shareholder return's compound annual growth rate ("TSR CAGR" Adjusted DBVPS") over the performance period. TSR CAGR . 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.

---

8. SHARE-BASED COMPENSATION (CONTINUED)

Valuation assumptions

Performance Restricted Stock Units granted in 2024 and 2023 with a market condition

The fair value of these performance restricted stock units granted in 2023 was 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:

Nine months ended September 30,	2023 (1)	2023 (2)	2023 (3)	2022
Expected volatility	**36.24%**	**29.30%**	**30.05%**	33.44%
Expected term (in years)	**3.0**	**1.0**	**3.0**	3.0
Expected dividend yield	**n/a**	**n/a**	**n/a**	n/a
Risk-free interest rate	**3.79%**	**4.61%**	**3.39%**	1.26%

Three months ended March 31,	2024	2023 (1)	2023 (2)
Expected volatility	**26.00%**	36.24%	29.30%
Expected term (in years)	**3.0**	3.0	1.0
Expected dividend yield	**n/a**	n/a	n/a
Risk-free interest rate	**4.06%**	3.79%	4.61%

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 endedMarch 31, 2023 in relation to senior leadership transition

Beginning share price, Ending share price and Expected term

Performance restricted stock units granted in 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 these awards 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

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

Beginning share price: The beginning share price 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 beginning share price of the awards granted in the three months ended June 30, 2023 to one senior leader was based on the average closing share price over the 30 trading days preceding and including the start of the performance period.

Ending share price: The ending share price was based on the projected average projected closing share price over the 10 trading days preceding and including the end of the performance period. The ending share price of the awards granted in the three months ended June 30, 2023 to one senior leader was based on the average closing share price over the 30 trading days preceding and including the end of the performance period.

Expected volatility: The expected volatility is estimated based on the Company's historical share price volatility.

Expected term: Performance for awards granted in 2023 is generally measured from January 1, 2023 to December 31, 2025, with performance for awards granted to one senior leader in the three months ended March 31, 2023 being measured from January 1, 2023 to December 31, 2023, and performance for awards granted to one senior leader in .

Expected volatility

The expected volatility is estimated based on the three months ended June 30, 2023 being measured from May 4, 2023 to May 4, 2026. Performance for awards granted in 2022 is measured from January 1, 2022 to December 31,

2024. Company's historical share price volatility.

Expected dividend yield: yield

The expected dividend yield is not applicable to the performance restricted stock units as dividends are paid at the end of the vesting period and do not affect the value of the performance restricted stock units.

Risk-free interest rate: rate

The risk-free rate is estimated based on the yield on a U.S. treasury zero-coupon bond issued with a remaining term equal to the vesting period of the performance restricted stock units.

Compensation expense associated with performance restricted stock units granted in 2023 2024 and 2022 2023 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.

8. SHARE-BASED COMPENSATION (CONTINUED)

Share-Settled Awards Performance Restricted Stock Units granted in 2024 with a performance condition

The fair value of these performance restricted stock units was 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.

The following table provides an activity summary of the Company's share-settled restricted stock units for the nine three months ended September 30, 2023 March 31, 2024:

	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
Non-vested restricted stock units - beginning of period	330	$ 60.01	2,117	$ 53.16
Granted	122	66.13	874	57.59
Vested	(72)	62.26	(778)	53.62
Forfeited	—	—	(202)	54.27
Non-vested restricted stock units - end of period	**380**	**$ 61.55**	**2,011**	**$ 54.80**

	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**
Non-vested restricted stock units - beginning of period	144	$ 65.69	1,855	$ 55.21
Granted	104	65.77	696	59.34
Vested	—	—	(682)	54.67
Forfeited	—	—	(78)	55.29
Non-vested restricted stock units - end of period	**248**	**$ 65.73**	**1,791**	**$ 57.02**

Cash-Settled awards

The following table provides an activity summary of the Company's cash-settled restricted stock units for the nine months ended September 30, 2023:

	Cash-Settled Service Restricted Stock Units
	Number of restricted stock units
Non-vested restricted stock units - beginning of period	60
Granted	—
Vested	(59)
Forfeited	(1)
Non-vested restricted stock units - end of period	—

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

Nine months ended September 30,		**2023**		**2022**
Share-based compensation expense(1)	**$**	**43,516**	$	43,595
Tax benefits associated with share-based compensation expense	**$**	**6,640**	$	7,468
Liability for cash-settled restricted stock units(2)	**$**	**—**	$	4,084
Fair value of restricted stock units vested(3)	**$**	**54,654**	$	49,239
Unrecognized share-based compensation expense	**$**	**76,871**	$	91,810
Expected weighted average period associated with the recognition of unrecognized share-based compensation expense		**2.5 years**		2.5 years

Three months ended March 31,		**2024**		**2023**
Share-based compensation expense	**$**	**13,671**	$	12,526
Tax benefits associated with share-based compensation expense	**$**	**2,763**	$	2,647
Fair value of restricted stock units vested(1)	**$**	**41,156**	$	50,714
Unrecognized share-based compensation expense	**$**	**92,556**	$	108,882
Expected weighted average period associated with the recognition of unrecognized share-based compensation expense		**2.9 years**		2.8 years

(1) Related to share-settled restricted stock units and cash-settled restricted stock units.
(2) Included in other liabilities in the consolidated balance sheets.
(3) Fair value is based on the closing price of the Company's common shares on the vest date.

9. SHAREHOLDERS' EQUITY

The following table presents changes in common shares issued and outstanding:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Shares issued, balance at beginning of period	**176,580**	176,580	**176,580**	176,580
Shares issued	**—**	—	**—**	—
Total shares issued at end of period	**176,580**	176,580	**176,580**	176,580
Treasury shares, balance at beginning of period	**(91,364)**	(91,925)	**(91,912)**	(91,806)
Shares repurchased	**(7)**	(6)	**(289)**	(891)
Shares reissued	**19**	17	**849**	783
Total treasury shares at end of period	**(91,352)**	(91,914)	**(91,352)**	(91,914)
Total shares outstanding	**85,228**	84,666	**85,228**	84,666

	Three months ended March 31,	
	2024	2023
Shares issued, balance at beginning of period	**176,580**	176,580
Shares issued	**—**	—
Total shares issued at end of period	**176,580**	176,580
Treasury shares, balance at beginning of period	**(91,294)**	(91,912)
Shares repurchased	**(1,281)**	(262)
Shares reissued	**682**	777
Total treasury shares at end of period	**(91,893)**	(91,397)
Total shares outstanding	**84,687**	85,183

Treasury Shares

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

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
In the open market:				
Total shares	**—**	—	**—**	634
Total cost	**$ —**	$ —	**$ —**	$ 34,987
Average price per share(1)	**$ —**	$ —	**$ —**	$ 55.22
From employees:(2)				
Total shares	**7**	6	**289**	257
Total cost	**$ 373**	$ 342	**$ 17,424**	$ 13,688
Average price per share(1)	**$ 54.80**	$ 53.78	**$ 60.19**	$ 53.12
Total shares repurchased:				
Total shares	**7**	6	**289**	891
Total cost	**$ 373**	$ 342	**$ 17,424**	$ 48,675
Average price per share(1)	**$ 54.80**	$ 53.78	**$ 60.19**	$ 54.61

	Three months ended March 31,	
	2024	**2023**
In the open market:(1)		
Total shares	**1,048**	—
Total cost	**$ 61,607**	$ —
Average price per share(2)	**$ 58.79**	$ —
From employees:(3)		
Total shares	**233**	262
Total cost	**$ 14,121**	$ 15,945
Average price per share(2)	**$ 60.70**	$ 60.82
Total shares repurchased:		
Total shares	**1,281**	262
Total cost	**$ 75,728**	$ 15,945
Average price per share(2)	**$ 59.13**	$ 60.82

(1) Shares are repurchased pursuant to the Company's Board-authorized share repurchase program announced in December 2023, effective January 1, 2024 through to December 31, 2024.

(2) Calculated using whole numbers.
(2) (3) Shares are repurchased from employees to facilitate the satisfaction of their satisfy personal withholding tax liabilities that arise on the vesting of share-settled restricted stock units.

9. SHAREHOLDERS' EQUITY (CONTINUED)

Dividends

The following table presents dividends declared and paid related to the Company's common and preferred shares:

	Per share data		
	Dividends declared	Dividends paid in period of declaration	Dividends paid in period following declaration
Three months ended September 30, 2023			
Common shares	**$ 0.44**	**$ —**	**$ 0.44**
Series E preferred shares	**$ 34.38**	**$ —**	**$ 34.38**
Three months ended September 30, 2022			
Common shares	$ 0.43	$ —	$ 0.43
Series E preferred shares	$ 34.38	$ —	$ 34.38
Nine months ended September 30, 2023			
Common shares	**$ 1.32**	**$ 0.88**	**$ 0.44**
Series E preferred shares	**$ 103.13**	**$ 68.75**	**$ 34.38**
Nine months ended September 30, 2022			
Common shares	$ 1.29	$ 0.86	$ 0.43
Series E preferred shares	$ 103.13	$ 68.75	$ 34.38

	Per share data		
	Dividends declared	Dividends paid in period of declaration	Dividends paid in period following declaration
Three months ended March 31, 2024			
Common shares	**$ 0.44**	**$ —**	**$ 0.44**
Series E preferred shares	**$ 34.38**	**$ —**	**$ 34.38**

Three months ended March 31, 2023						
Common shares	$	0.44	$	—	$	0.44
Series E preferred shares	$	34.38	$	—	$	34.38

10. DEBT AND FINANCING ARRANGEMENTS

Loan Advances made to a Third Party Reinsurer

At March 31, 2024, loan advances of $25 million (2023: $82 million) were repaid and were treated as a non-cash activity in the consolidated statement of cash flows. The loan balance receivable at March 31, 2024, of $55 million (2023: $80 million) is included in loan advances made in the consolidated balance sheets. At December 31, 2023, the Company had committed to advance a further $26 million to the third party reinsurer.During 2024, the third party reinsurer advised the Company that this advance was no longer required.

Letter of Credit Facility

On March 31, 2023 March 26, 2024, the $150 $500 million Facility was amended to reduce the committed utilization capacity available under the Facility to $300 million, enter into an uncommitted secured letter of credit facility expired. The terms and conditions with Citibank Europe plc, extend the tenors of the $500 million secured letter issuable letters of credit facility remain unchanged. to March 31, 2026 and make certain updates to the facility's collateral and fee arrangements.

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").

At September 30, 2023 March 31, 2024, the companies had admitted assets of approximately $3 billion (2023: $3 billion) which provides borrowing capacity of up to approximately $744 million. $759 million (2023: $759 million).

At September 30, 2023 March 31, 2024, the Company had $86 million(2023: $86 million) of borrowings under the FHLB program, with maturities in 2024 and 2025 and interest payable at interest rates between 5.5% 5.6% and 5.7%(2023: 5.6% and 5.9%). The Company incurred interest expense of $1 million and $3 million for the three and nine months ended September 30, 2023, March 31, 2024 and $0.6 million for the three and nine months ended September 30, 2022, 2023. The borrowings under the FHLB program are secured by investments with a fair value of $90 million. million (2023: $95 million).

12. COMMITMENTS COMMITMENT AND CONTINGENCIES

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 the reserve for losses and loss expenses in the Company's financial statements. consolidated balance sheets.

The Company is not party to any material legal proceedings arising outside the ordinary course of business.

Investments

Refer to Note 3 - *'Investments'* for information on the Company's unfunded investment commitments related to the Company's other investment portfolio.

13. OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the tax effects allocated to each component of other comprehensive income (loss):

	2023			2022		
	Before tax amount	Income tax (expense) benefit	Net of tax amount	Before tax amount	Income tax (expense) benefit	Net of tax amount
Three months ended September 30,						
Available for sale investments:						
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has not been recognized	**$ (178,537)**	**$ 22,486**	**$ (156,051)**	$ (393,848)	$ (32)	$ (393,880)
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has been recognized	**(5,647)**	**700**	**(4,947)**	(10,990)	306	(10,684)
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	**26,241**	**(3,223)**	**23,018**	108,351	(9,572)	98,779
Unrealized gains (losses) arising during the period, net of reclassification adjustment	**(157,943)**	**19,963**	**(137,980)**	(296,487)	(9,298)	(305,785)
Foreign currency translation adjustment	**(6,950)**	**—**	**(6,950)**	(12,751)	—	(12,751)
Total other comprehensive income (loss), net of tax	**$ (164,893)**	**$ 19,963**	**$ (144,930)**	$ (309,238)	$ (9,298)	$ (318,536)
Nine months ended September 30,						
Available for sale investments:						
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has not been recognized	**$ (126,805)**	**$ 17,210**	**$ (109,595)**	$ (1,340,927)	$ 81,445	$ (1,259,482)
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has been recognized	**(1,622)**	**(8)**	**(1,630)**	(56,577)	3,269	(53,308)
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	**110,518**	**(10,130)**	**100,388**	255,081	(25,308)	229,773
Unrealized gains (losses) arising during the period, net of reclassification adjustment	**(17,909)**	**7,072**	**(10,837)**	(1,142,423)	59,406	(1,083,017)
Foreign currency translation adjustment	**(4,302)**	**—**	**(4,302)**	(16,169)	—	(16,169)
Total other comprehensive income (loss), net of tax	**$ (22,211)**	**$ 7,072**	**$ (15,139)**	$ (1,158,592)	$ 59,406	$ (1,099,186)

	2024			2023		
	Before tax amount	Income tax (expense) benefit	Net of tax amount	Before tax amount	Income tax (expense) benefit	Net of tax amount
Three months ended March 31,						
Available for sale investments:						
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has not been recognized	**$ (76,408)**	**$ 16,349**	**$ (60,059)**	$ 153,851	$ (19,284)	$ 134,567
Unrealized gains (losses) arising during the period for which an allowance for expected credit losses has been recognized	**(434)**	**16**	**(418)**	14,950	(1,328)	13,622
Adjustment for reclassification of net realized (gains) losses and impairment losses recognized in net income (loss)	**24,879**	**(1,464)**	**23,415**	44,121	(3,371)	40,750
Unrealized gains (losses) arising during the period, net of reclassification adjustment	**(51,963)**	**14,901**	**(37,062)**	212,922	(23,983)	188,939
Foreign currency translation adjustment	**(8,951)**	**—**	**(8,951)**	(535)	—	(535)
Total other comprehensive income (loss), net of tax	**$ (60,914)**	**$ 14,901**	**$ (46,013)**	$ 212,387	$ (23,983)	$ 188,404

The following table presents details of amounts reclassified from accumulated other comprehensive income (loss) ("AOCI") to net income (loss):

		Amount reclassified from AOCI(1)			
		Three months ended September 30,		Nine months ended September 30,	
AOCI Components	**Consolidated statement of operations line item that includes reclassification adjustment**	**2023**	**2022**	**2023**	**2022**
Unrealized gains (losses) on available for sale investments					
	Other realized gains (losses)	**$ (26,200)**	$ (101,860)	**$ (101,394)**	$ (248,007)
	Impairment losses	**(41)**	(6,491)	**(9,124)**	(7,074)
	Total before tax	**(26,241)**	(108,351)	**(110,518)**	(255,081)
	Income tax (expense) benefit	**3,223**	9,572	**10,130**	25,308
	Net of tax	**$ (23,018)**	$ (98,779)	**$ (100,388)**	$ (229,773)

AOCI Components	Consolidated statement of operations line item that includes reclassification adjustment	Amount reclassified from AOCI(1) Three months ended March 31, 2024	2023
Unrealized gains (losses) on available for sale investments			
	Other realized gains (losses)	**$ (24,871)**	$ (44,121)
	Impairment losses	**(8)**	—
	Total before tax	**(24,879)**	(44,121)
	Income tax (expense) benefit	**1,464**	3,371
	Net of tax	**$ (23,415)**	$ (40,750)

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

14. RELATED PARTY TRANSACTIONS

At September 30, 2023, the Company had invested $6 million in a loan to Eagle Point Credit Management LLC, which is majority-owned by Trident IX L.P., a Stone Point private equity fund.

At September 30, 2023, the Company had invested $5 million in cumulative preferred shares of Aspida Holdings Ltd. The $5 million investment was syndicated to the Company by Stone Point.

At September 30, 2023, the Company had invested $11 million in Monarch Point Re (refer to Note 3 *'Investments'*), a newly created collateralized reinsurer which is jointly sponsored by the Company and Stone Point.

Retrocession Agreement with Monarch Point Re

On September 22, 2023 (the "closing date"), During 2018, the Company entered into an a quota share retrocessional agreement with an effective date of January 1, 2023, to retrocede a diversified portfolio of casualty reinsurance business to Monarch Point Re.

The agreement covers losses both on a prospective basis and on a retroactive basis therefore, the Company has bifurcated the prospective and retroactive elements of the agreement and is accounting for each element separately.

Retroactive element

Reinsurance premiums of $119 million were allocated to the retroactive element of the agreement Harrington Re which was deemed to have met the established criteria for retroactive reinsurance accounting. At the closing date, During 2024, the Company recognized acquisition costs of $33 million entered into a reinsurer novation and replacement agreement with Harrington Re and a loss expense of $7 million in the consolidated statement of operations associated third party reinsurer 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 respect to Note 6 *'Reserve for Losses and Loss Expenses').* this quota share retrocession contract.

Prospective element

15. REORGANIZATION EXPENSES

For the nine three months ended September 30, 2023 March 31, 2024, reorganization expenses were $12 million (2023: $nil) primarily related to severance costs mainly attributable to the Company ceded reinsurance premiums of $244 million to Monarch Point Re. At September 30, 2023, Company's "How We Work" program which is focused on simplifying the amount of ceded reinsurance payable included in insurance and reinsurance balances payable was $195 million in the consolidated balance sheets.

This transaction was conducted at market rates consistent with negotiated arms-length contracts. Company's operating structure.

Loan

16. INCOME TAXES

On December 27, 2023, the Government of Bermuda enacted the Corporate Income Tax Act 2023 (the "Act") which will apply a corporate income tax of 15% for fiscal years beginning on or after January 1, 2025. The Act includes a provision referred to Monarch Point Re as the economic transition adjustment, 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 $163 million in the three months ended March 31, 2024 which it expects to utilize mainly over a 10-year period. The Company expects to incur increased taxes in Bermuda beginning in 2025.

On September 25, 2023, the Company advanced The following table provides an amount analysis of $156 million to Monarch Point Re. This loan will be repaid in a manner consistent with the timing of amounts due to Monarch Point Re under the retrocession agreement. At September 30, 2023, an amount of $29 million was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. The loan is expected to be repaid in full by November 15, 2025. The loan balance receivable at September 30, 2023 of $127 million is included in other assets in the consolidated balance sheets. income tax expense (benefit):

Interest on this loan is payable for this period at a rate of 5.7%. Interest related to this loan was received in advance and is included in other liabilities in the consolidated balance sheets.

Three months ended March 31,	**2024**	**2023**
Current income tax expense (benefit)		
U.S.	**$ 21,498**	$ 10,905
Europe	**5,528**	3,174
Bermuda	**—**	199
Deferred income tax expense (benefit)		
U.S.	**2,745**	70
Europe	**8,280**	1,548
Bermuda	**(162,705)**	—
Total income tax expense (benefit)	**$ (124,654)**	$ 15,896

16. INCOME TAXES (CONTINUED)

15. REORGANIZATION EXPENSES

For The following table presents the three distribution of income before income taxes between domestic and nine months ended September 30, 2023, reorganization expenses were $29 million attributable to impairments foreign jurisdictions and a reconciliation of computer software assets and severance costs associated with the departures of certain employees mainly related actual income tax rate to the Company's "How We Work" program which focuses on simplifying amount computed by applying the Company’s operating structure. effective tax rate of 0% under Bermuda law to income before income taxes:

For the three and nine months ended September 30, 2022, reorganization expenses were $6 million and $22 million, respectively, attributable to severance costs and impairments of computer software assets associated with the Company's exit from catastrophe and property reinsurance lines of business which was part of an overall approach to reduce the Company's exposure to volatile catastrophe risk.

Three months ended March 31,	2024	2023
Income before income taxes		
Bermuda (domestic)	**$ 83,231**	$ 106,604
Foreign	**187,574**	89,388
Total income before income taxes	**$ 270,805**	$ 195,992
Reconciliation of effective tax rate (% of income before income taxes)		
Expected tax rate	**— %**	— %
Foreign taxes at local expected rates:		
U.S.	**9.2 %**	5.4 %
Europe	**5.0 %**	3.2 %
Valuation allowance	**(0.7 %)**	(1.8 %)
Bermuda Economic Transition Adjustment	**(60.1 %)**	— %
Other	**0.6 %**	1.3 %
Actual tax rate	**(46.0 %)**	8.1 %

ITEM 2. 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 three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 and our financial condition at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. This should be read in conjunction with Item 1 '*Consolidated Financial Statements*'Statements of this report and our Management's Discussion and Analysis of Financial Condition and

Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023. Unless otherwise noted, tabular dollars are in thousands, except per share amounts. Amounts in tables may not reconcile due to rounding differences.

THIRD FIRST QUARTER 2023 2024 FINANCIAL HIGHLIGHTS

Third First Quarter 2023 2024 Consolidated Results of Operations

- Net income available to common shareholders of $181 million $388 million, or $2.12 $4.57 per common share, and $2.10 $4.53 per diluted common share

- Operating income(1) of $202 million $220 million, or $2.34 $2.57 per diluted common share(1)

- Gross premiums written of $1.9 billion $2.7 billion

- Net premiums written of $1.0 billion $1.7 billion

- Net premiums earned of $1.3 billion

- Pre-tax catastrophe and weather-related losses, net of reinsurance, of $42 million $20 million ($36 17 million, after-tax), (Insurance: $37 million $19 million; Reinsurance: $5 million $1 million), or 3.2 1.5 points on the current accident year loss ratio, primarily attributable to Maui wildfires, Hurricane Idalia, and other weather-related events events.

- Loss expense Underwriting income(2) of $7 million related $146 million and combined ratio of 91.1%

- Net investment income of $167 million

- Net investment losses of $9 million

- Foreign exchange gains of $24 million

- Reorganization expenses of $12 million

- Income tax benefit of $125 million, inclusive of a net deferred tax benefit of $163 million attributable to a quota share retrocession agreement entered into with Monarch Point Re (ISA 2023) Ltd. ("Monarch Point Re") on September 22, 2023 with an effective date of January 1, 2023. Bermuda's Corporate Income Tax Act 2023. Refer to '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Overview – Recent Developments – Retrocession Agreement with Monarch Point Re Bermuda Corporate Income Tax Act 2023*for further information. details.

- Net favorable prior year reserve development of $3 million

  - Underwriting income(2) of $147 million and combined ratio of 92.7%

  - Net investment income of $154 million

  - Net investment losses of $53 million

  - Foreign exchange gains of $51 million

  - Reorganization expenses of $29 million

Third First Quarter 2023 2024 Consolidated Financial Condition

- Total cash and investments of $16.1 billion $16.8 billion; fixed maturities, short-term investments, and cash and cash equivalents comprise 86% 89% of total cash and investments and have an average credit rating of AA-

- Total assets of $29.5 billion $31.8 billion
- Reserve for losses and loss expenses of $15.6 billion $16.6 billion and reinsurance recoverable on unpaid and paid losses and loss expenses of $6.6 billion $7.0 billion
- Debt of $1.3 billion and debt to total capital ratio(3) of 20.7% 19.3%
- Total common shares repurchased were 1.3 million shares for a total of $76 million, including $62 million repurchased pursuant to our Board-authorized share repurchase program and $14 million from employees to satisfy personal withholding tax liabilities that arise on the vesting of share-settled restricted stock units
- Common shareholders' equity of $4.5 billion $5.0 billion; book value per diluted common share of $51.17 $57.13

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

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

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

OVERVIEW

Business Overview

AXIS Capital, through its operating subsidiaries, is a global specialty underwriter and provider of insurance and reinsurance solutions with operations in Bermuda, the U.S., Europe, Singapore and Canada. Our underwriting operations are organized around our global underwriting platforms, AXIS Insurance and AXIS Re.

We provide our clients and distribution partners with a broad range of risk transfer products and services, and strong capacity, backed by excellent financial strength. We manage our portfolio holistically, aiming to construct the optimum portfolio of risks, consistent with our risk appetite and the development of our franchise. We nurture an ethical, entrepreneurial, disciplined and diverse culture that promotes outstanding client service, intelligent risk taking, operating efficiency, corporate citizenship and the achievement of superior risk-adjusted returns for our shareholders. We believe that the achievement of our objectives will position us as a global leader in specialty risks. The execution of our business strategy for the first nine three months of 2023 2024 included the following:

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

55 50

Outlook

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

Across the majority of our business lines, we view pricing to be attractive and we anticipate rate movement to remain slightly positive and above loss cost trends. Pricing momentum is expected to slow across many lines but the ability to access well-priced new business should remain. We expect rate dislocations in the admitted market to continue to improve but moderate across most lines as carriers assess the impact of heightened catastrophe loss activity, financial and social inflation, and geopolitical uncertainty, among other factors across their portfolios. Following multiple years of rate increases outpacing loss trend, pricing in most lines is now above loss cost trends and we continue to pursue growth.

Rates, terms and conditions across the majority of insurance lines continued to be favorable as pricing generally continues to rise, albeit at varying levels based on market dynamics relative to the individual lines. Market dislocations continue to drive more risks additional risk types into the U.S. Wholesale channel, and we anticipate this to sustain throughout the remainder of 2023 with the strongest market opportunities occurring in Specialty and E&S lines. We are continuing to pursue a highly targeted and disciplined underwriting strategy across every line we write and all our channels of distribution. channel.

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

We are encouraged by Across the pricing improvements business, we are seeing across most markets, which we expect will carry through the rest of 2023, and that rate will continue to keep pace with loss cost trends in the majority of our lines. pursue targeted growth opportunities by employing a disciplined underwriting strategy and appetite. Where prices continue to deliver adequate profitability, we will look to grow within our risk and volatility guidelines. With a strengthened book of business, and a growing footprint in the specialty markets that are seeing the most favorable conditions, we believe AXIS is well positioned to drive profitable growth within the current environment.

Recent Developments

Retrocession Agreement with Monarch Point Re

On September 22, 2023 (the "closing date"), we entered into an agreement, with an effective date of January 1, 2023, to retrocede a diversified portfolio of casualty reinsurance business to Monarch Point Re.

The agreement covers losses both on a prospective basis and on a retroactive basis therefore, we have bifurcated the prospective and retroactive elements of the agreement and are accounting for each element separately.

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, we 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, we 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 Item 2, Note 6 to the Consolidated Financial Statements *'Reserve for Losses and Loss Expenses'* and Note 14 to the Consolidated Financial Statements *'Related Party Transactions'* for further details.

Prospective element

For the nine months ended September 30, 2023, we ceded reinsurance premiums of $244 million to Monarch Point Re. At September 30, 2023, the amount of ceded reinsurance payable included in insurance and reinsurance balances payable was $195 million in the consolidated balance sheets.

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

Loan to Monarch Point Re

On September 25, 2023, we advanced an amount of $156 million to Monarch Point Re. This loan will be repaid in a manner consistent with the timing of amounts due to Monarch Point Re under the retrocession agreement. At September 30, 2023, an amount of $29 million was repaid and was treated as a non-cash activity in the consolidated statement of cash flows. The loan is expected to be repaid in full by November 15, 2025. The loan balance receivable at September 30, 2023 of $127 million is included in other assets in the consolidated balance sheets.

Interest on this loan is payable for this period at a rate of 5.7%. Interest related to this loan was received in advance and is included in other liabilities in the consolidated balance sheets. We will recognize interest income in other insurance related income in the consolidated statement of operations in future periods.

How We Work Program

Reorganization expenses of $29 million include impairments of computer software assets and $12 million primarily relate to severance costs associated with the departures of certain employees mainly attributable to our "How We Work" program which focuses is focused on simplifying the Company's operating structure.

Response to Russia-Ukraine War Bermuda Corporate Income Tax Act 2023

Following On December 27, 2023, the Russian invasion Government of Ukraine Bermuda enacted the Corporate Income Tax Act 2023 (the "Act") which will apply 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, which is intended to provide a fair and equitable transition into the triggering tax regime. Pursuant to the Act and subsequently issued guidance, we recorded a net deferred tax asset of sanctions against $163 million in the countries involved, organizations and named individuals, we established a task-force to coordinate our response to this situation.

The Russia-Ukraine war, and its related impacts, are an evolving risk to first quarter of 2024 which we are exposed expect to utilize mainly over a 10-year period. We expect to incur increased taxes in Bermuda beginning in 2025. The Bermuda net deferred tax benefit is excluded from an underwriting and reserving perspective.

Our team continues to track the situation closely, to perform stress and scenario testing on underwriting exposures and to consider a range of economic impacts and external pressures across individual product lines.

Underwriting

We continue to monitor international sanctions which impact our global operations that were effective since March 27, 2022 operating income (loss). The impact on gross premiums written for the nine months ended September 30, 2023 of the cancellation of policies with exposures to the Russia-Ukraine war was immaterial. We continue to evaluate opportunities to write business in the region, not including Russia or Ukraine risks.

We are also continuing to closely monitor cash due from our customers and reinsurers, giving due consideration to the Russia-Ukraine war and associated international sanctions. At September 30, 2023, we considered the potential financial impact of the Russia-Ukraine war when determining allowances for expected credit losses for insurance and reinsurance premium balances receivable and reinsurance recoverable balances on unpaid losses and loss expenses.

Based on facts and circumstances at that time, we did not adjust allowances for expected credit losses at September 30, 2023. We will continue to monitor the appropriateness of allowances for expected credit losses as new information comes to light. Adjustments to allowances for expected credit losses in subsequent periods could be material.

Reserving

At September 30, 2023, estimated pre-tax net losses attributable to the Russia-Ukraine war were $47 million.

The estimate of net reserves for losses and loss expenses related to the Russia-Ukraine war is subject to significant uncertainty. This uncertainty is driven by the difficulty in performing on-site evaluations, and by the inherent difficulty in making assumptions due to the lack of comparable events, the ongoing nature of the event, and its far-reaching impacts.

While we believe the overall estimate of net reserves for losses and loss expenses is adequate for losses and loss expenses that have been incurred at September 30, 2023, based on current facts and circumstances, we will continue to monitor the appropriateness of our assumptions as new information comes to light and will adjust the estimate of net reserves for losses and loss expenses, as appropriate.

Actual losses for this event may ultimately differ materially from current estimates.

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

Investments

At September 30, 2023, we had no direct exposures to Russia or Ukraine within our investments portfolio.

Refer to Item 1A, *'Risk Factors'* in our most recent Annual Report on Form 10-K for further information.

CONSOLIDATED RESULTS OF OPERATIONS

	Three months ended September 30,			Nine months ended September 30,		
	2023	**% Change**	**2022**	**2023**	**% Change**	**2022**
Underwriting revenues:						
Gross premiums written	**$1,905,878**	12%	$1,707,808	**$6,572,232**	2%	$6,455,899
Net premiums written	**975,357**	(6%)	1,036,784	**4,030,070**	(3%)	4,166,502
Net premiums earned	**1,322,564**	3%	1,284,866	**3,818,508**	—%	3,820,163
Other insurance related income	**10,344**	nm	1,092	**16,444**	64%	9,998
Underwriting expenses:						
Net losses and loss expenses	**(783,940)**	(17%)	(941,911)	**(2,240,840)**	(8%)	(2,444,196)
Acquisition costs	**(263,389)**	10%	(240,511)	**(747,027)**	—%	(746,443)
Underwriting-related general and administrative expenses(1)	**(138,601)**	5%	(132,570)	**(412,251)**	—%	(413,069)
Underwriting income (loss)(2)	**146,978**		(29,034)	**434,834**		226,453
Net investment income	**154,201**	75%	88,177	**424,802**	56%	271,744
Net investment gains (losses)	**(53,114)**	(64%)	(146,458)	**(97,671)**	(76%)	(414,231)
Corporate expenses(1)	**(40,682)**	58%	(25,675)	**(102,345)**	28%	(79,803)
Foreign exchange gains	**50,570**	(63%)	135,660	**11,755**	(95%)	236,934
Interest expense and financing costs	**(16,445)**	3%	(15,915)	**(50,077)**	7%	(46,720)
Reorganization expenses	**(28,997)**	nm	(6,213)	**(28,997)**	32%	(21,941)
Amortization of intangible assets	**(2,729)**	—%	(2,729)	**(8,188)**	—%	(8,188)
Income (loss) before income taxes and interest in income (loss) of equity method investments	**209,782**		(2,187)	**584,113**		164,248
Income tax (expense) benefit	**(24,624)**	nm	363	**(68,078)**	nm	5,304
Interest in income (loss) of equity method investments	**2,940**	nm	(7,560)	**2,835**	(44%)	5,040
Net income (loss)	**188,098**		(9,384)	**518,870**		174,592

Preferred share dividends	**(7,563)**	—%	(7,563)	**(22,688)**	—%	(22,688)
Net income (loss) available (attributable) to common shareholders	**$ 180,535**		$ (16,947)	**$ 496,182**		$ 151,904

	Three months ended March 31,		
	2024	**% Change**	**2023**
Underwriting revenues:			
Gross premiums written	**$ 2,654,427**	11%	$ 2,381,976
Net premiums written	**1,722,073**	7%	1,608,356
Net premiums earned	**1,258,041**	2%	1,230,199
Other insurance related income	**8,340**	nm	577
Underwriting expenses:			
Net losses and loss expenses	**(728,671)**	1%	(720,642)
Acquisition costs	**(254,254)**	10%	(230,373)
Underwriting-related general and administrative expenses(1)	**(137,793)**	(2%)	(140,395)
Underwriting income (2)	**145,663**		139,366
Net investment income	**167,383**	25%	133,771
Net investment gains (losses)	**(9,207)**	(54%)	(20,190)
Corporate expenses(1)	**(25,580)**	(3%)	(26,416)
Foreign exchange (losses) gains	**23,552**	nm	(8,710)
Interest expense and financing costs	**(17,147)**	1%	(16,894)
Reorganization expenses	**(12,299)**	nm	—
Amortization of intangible assets	**(2,729)**	—%	(2,729)
Income before income taxes and interest in income (loss) of equity method investments	**269,636**		198,198
Income tax (expense) benefit	**124,654**	nm	(15,896)
Interest in income (loss) of equity method investments	**1,169**	nm	(2,205)
Net income	**395,459**		180,097
Preferred share dividends	**(7,563)**	—%	(7,563)
Net income available to common shareholders	**$ 387,896**		$ 172,534

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 $40,682 $26 million and $25,675 for the three months ended September 30, March 31, 2024 and 2023, and 2022, respectively, and $102,345 and $79,803 for the nine months ended September 30, 2023 and 2022, 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.

59 52

Underwriting Revenues

Underwriting revenues by segment were as follows:

	Three months ended September 30,			Nine months ended September 30,		
	2023	% Change	2022	2023	% Change	2022
Gross premiums written:						
Insurance	**$ 1,457,624**	11%	$ 1,317,890	**$ 4,557,386**	11%	$ 4,114,776
Reinsurance	**448,254**	15%	389,918	**2,014,846**	(14%)	2,341,123
Total gross premiums written	**$ 1,905,878**	12%	$ 1,707,808	**$ 6,572,232**	2%	$ 6,455,899
Percent of gross premiums written ceded						
Insurance	**39 %**	(2 pts)	41 %	**39 %**	(1 pt)	40 %
Reinsurance	**80 %**	46 pts	34 %	**39 %**	11 pts	28 %
Total percent of gross premiums written ceded	**49 %**	10 pts	39 %	**39 %**	3 pts	36 %
Net premiums written:						
Insurance	**$ 885,252**	14%	$ 777,789	**$ 2,788,849**	12%	$ 2,491,120

Reinsurance	**90,105**	(65%)	258,995	**1,241,221**	(26%)	1,675,382
Total net premiums written	**$ 975,357**	(6%)	$ 1,036,784	**$ 4,030,070**	(3%)	$ 4,166,502
Net premiums earned:						
Insurance	**$ 885,714**	13%	$ 782,101	**$ 2,544,920**	10%	$ 2,303,640
Reinsurance	**436,850**	(13%)	502,765	**1,273,588**	(16%)	1,516,523
Total net premiums earned	**$ 1,322,564**	3%	$ 1,284,866	**$ 3,818,508**	—%	$ 3,820,163

	Three months ended March 31,		
	2024	**% Change**	**2023**
Gross premiums written:			
Insurance	**$ 1,574,505**	11%	$ 1,415,612
Reinsurance	**1,079,922**	12%	966,364
Total gross premiums written	**$ 2,654,427**	11%	$ 2,381,976
Percent of gross premiums written ceded			
Insurance	**35 %**	(3 pts)	38 %
Reinsurance	**35 %**	10 pts	25 %
Total percent of gross premiums written ceded	**35 %**	2 pts	33 %
Net premiums written:			
Insurance	**$ 1,022,354**	16%	$ 882,576
Reinsurance	**699,719**	(4%)	725,780
Total net premiums written	**$ 1,722,073**	7%	$ 1,608,356
Net premiums earned:			
Insurance	**$ 917,946**	12%	$ 816,456
Reinsurance	**340,095**	(18%)	413,743
Total net premiums earned	**$ 1,258,041**	2%	$ 1,230,199

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:

	Three months ended September 30,			Nine months ended September 30,		
	2023	**% Point Change**	**2022**	**2023**	**% Point Change**	**2022**
Current accident year loss ratio, excluding catastrophe and weather-related losses	**56.3 %**	(0.8)	57.1 %	**56.1 %**	0.6	55.5 %
Catastrophe and weather-related losses ratio	**3.2 %**	(13.4)	16.6 %	**2.9 %**	(6.0)	8.9 %
Current accident year loss ratio	**59.5 %**	(14.2)	73.7 %	**59.0 %**	(5.4)	64.4 %
Prior year reserve development ratio	**(0.2 %)**	0.2	(0.4 %)	**(0.3 %)**	0.1	(0.4 %)
Net losses and loss expenses ratio	**59.3 %**	(14.0)	73.3 %	**58.7 %**	(5.3)	64.0 %
Acquisition cost ratio	**19.9 %**	1.2	18.7 %	**19.6 %**	0.1	19.5 %
General and administrative expense ratio(1)	**13.5 %**	1.2	12.3 %	**13.4 %**	0.5	12.9 %
Combined ratio	**92.7 %**	(11.6)	104.3 %	**91.7 %**	(4.7)	96.4 %

	Three months ended March 31,		
	2024	**% Point Change**	**2023**
Current accident year loss ratio, excluding catastrophe and weather-related losses	**56.4 %**	0.6	55.8 %
Catastrophe and weather-related losses ratio	**1.5 %**	(1.6)	3.1 %
Current accident year loss ratio	**57.9 %**	(1.0)	58.9 %
Prior year reserve development ratio	**— %**	0.3	(0.3 %)
Net losses and loss expenses ratio	**57.9 %**	(0.7)	58.6 %
Acquisition cost ratio	**20.2 %**	1.5	18.7 %
General and administrative expense ratio(1)	**13.0 %**	(0.6)	13.6 %
Combined ratio	**91.1 %**	0.2	90.9 %

(1) The general and administrative expense ratio included corporate expenses not allocated to underwriting segments of 3.1% 2.0% and 2.0% 2.1% for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and 2.7% and 2.1% for the nine months ended September 30, 2023 and 2022, 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.

60 53

RESULTS BY SEGMENT

Insurance Segment

Results for the insurance segment were as follows:

	Three months ended September 30,			Nine months ended September 30,		
	2023	**% Change**	**2022**	**2023**	**% Change**	**2022**
Revenues:						
Gross premiums written	**$ 1,457,624**	11%	$ 1,317,890	**$ 4,557,386**	11%	$ 4,114,776
Net premiums written	**885,252**	14%	777,789	**2,788,849**	12%	2,491,120
Net premiums earned	**885,714**	13%	782,101	**2,544,920**	10%	2,303,640
Other insurance related income (loss)	**(22)**	nm	151	**90**	(81%)	470
Expenses:						
Current accident year net losses and loss expenses	**(492,977)**		(521,564)	**(1,403,919)**		(1,358,981)
Prior year reserve development	**1,609**		2,558	**5,433**		12,396
Acquisition costs	**(169,384)**		(139,436)	**(473,413)**		(422,979)
Underwriting-related general and administrative expenses	**(120,330)**		(108,072)	**(350,494)**		(330,598)
Underwriting income	**$ 104,610**		$ 15,738	**$ 322,617**		$ 203,948

Ratios:		% Point Change			% Point Change	
Current accident year loss ratio, excluding catastrophe and weather-related losses	**51.5 %**	(1.1)	52.6 %	**51.7 %**	0.1	51.6 %
Catastrophe and weather-related losses ratio	**4.2 %**	(9.9)	14.1 %	**3.5 %**	(3.9)	7.4 %
Current accident year loss ratio	**55.7 %**	(11.0)	66.7 %	**55.2 %**	(3.8)	59.0 %
Prior year reserve development ratio	**(0.2 %)**	0.1	(0.3 %)	**(0.2 %)**	0.3	(0.5 %)
Net losses and loss expenses ratio	**55.5 %**	(10.9)	66.4 %	**55.0 %**	(3.5)	58.5 %
Acquisition cost ratio	**19.1 %**	1.3	17.8 %	**18.6 %**	0.2	18.4 %
Underwriting-related general and administrative expense ratio	**13.6 %**	(0.2)	13.8 %	**13.7 %**	(0.6)	14.3 %
Combined ratio	**88.2 %**	(9.8)	98.0 %	**87.3 %**	(3.9)	91.2 %

nm – not meaningful

	Three months ended March 31,		
	2024	**% Change**	**2023**
Revenues:			
Gross premiums written	**$ 1,574,505**	11%	$ 1,415,612
Net premiums written	**1,022,354**	16%	882,576
Net premiums earned	**917,946**	12%	816,456
Other insurance related income	**21**	(61%)	54
Expenses:			
Current accident year net losses and loss expenses	**(496,864)**		(450,508)
Prior year reserve development	**—**		1,041
Acquisition costs	**(176,029)**		(147,058)
Underwriting-related general and administrative expenses	**(122,087)**		(116,630)
Underwriting income	**$ 122,987**		$ 103,355
Ratios:		**% Point Change**	
Current accident year loss ratio, excluding catastrophe and weather-related losses	**52.0 %**	(0.2)	52.2 %
Catastrophe and weather-related losses ratio	**2.1 %**	(0.9)	3.0 %
Current accident year loss ratio	**54.1 %**	(1.1)	55.2 %

Prior year reserve development ratio	— %	0.1	(0.1 %)
Net losses and loss expenses ratio	**54.1 %**	(1.0)	55.1 %
Acquisition cost ratio	**19.2 %**	1.2	18.0 %
Underwriting-related general and administrative expense ratio	**13.3 %**	(0.9)	14.2 %
Combined ratio	**86.6 %**	(0.7)	87.3 %

61 54

Gross Premiums Written

Gross premiums written by line of business were as follows:

	Three months ended September 30,					Nine months ended September 30,				
	2023		2022		% Change	2023		2022		% Change
Professional lines	**$ 285,739**	**20 %**	$ 317,074	24 %	(10%)	**$ 801,757**	**18 %**	$ 944,629	23 %	(15%)
Property	**395,269**	**26 %**	297,537	22 %	33%	**1,310,086**	**28 %**	1,005,986	24 %	30%
Liability	**316,433**	**22 %**	266,615	20 %	19%	**929,228**	**20 %**	826,318	20 %	12%
Cyber	**148,011**	**10 %**	182,367	14 %	(19%)	**482,847**	**11 %**	486,952	12 %	(1%)
Marine and aviation	**169,819**	**12 %**	140,661	11 %	21%	**608,396**	**13 %**	518,974	13 %	17%
Accident and health	**88,742**	**6 %**	66,153	5 %	34%	**253,963**	**6 %**	189,849	5 %	34%
Credit and political risk	**53,611**	**4 %**	47,483	4 %	13%	**171,109**	**4 %**	142,068	3 %	20%
Total	**$1,457,624**	**100 %**	$1,317,890	100 %	11%	**$4,557,386**	**100 %**	$4,114,776	100 %	11%

	Three months ended March 31,		
	2024	**2023**	**% Change**

Professional lines	**$ 236,665**	**15 %**	$ 221,615	16 %	7%
Property	**478,835**	**30 %**	381,339	27 %	26%
Liability	**287,705**	**18 %**	284,026	20 %	1%
Cyber	**132,936**	**8 %**	152,788	11 %	(13%)
Marine and aviation	**262,010**	**17 %**	233,424	16 %	12%
Accident and health	**104,606**	**7 %**	79,384	6 %	32%
Credit and political risk	**71,748**	**5 %**	63,036	4 %	14%
Total	**$1,574,505**	**100 %**	$1,415,612	100 %	11%

Gross premiums written for the three months ended September 30, 2023 March 31, 2024 increased by $140 million $159 million, or 11%, compared to the three months ended September 30, 2022 March 31, 2023. The increase was primarily attributable to property, liability, marine and aviation, accident and health, and credit and political risk lines, partially offset by decreases in cyber, and professional lines.

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

The decrease in cyber lines was driven by the timing differences, premium adjustments associated with favorable market conditions in the three months ended September 30, 2022, and underwriting actions taken in recent periods to reposition the portfolio and reduced business opportunities associated with challenging market conditions. The decrease in professional lines, reflected the unattractive pricing environment for U.S. public Directors and Officers ("D&O") business, together with a lower level of activity in transactional liability business.

Gross premiums written for the nine months ended September 30, 2023, increased by $443 million, or 11%, compared to the nine months ended September 30, 2022. The increase was primarily attributable to property, liability, marine and aviation, accident and health, and credit and political risk lines, partially offset by a decrease in professional cyber lines.

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

The decrease in professional cyber lines reflected was attributable to premium adjustments in the unattractive pricing environment for U.S. public D&O three months ended March 31, 2024, related to business together written on a line slip basis, and a decrease in premiums associated with a lower level of activity in transactional liability two significant programs, partially offset by new business.

Ceded Premiums Written

Ceded premiums written for the three months ended September 30, 2023, March 31, 2024 was $572 million $552 million, or 39% 35%, of gross premiums written, compared to $540 million $533 million, or 41% 38%, of gross premiums written for the three months ended September 30, 2022 March 31, 2023. The increase in ceded premiums written of $32 million $19 million, or 6% 4%, was primarily driven by increases in liability, property, and marine and aviation lines, partially offset by decreases in professional lines cyber, and cyber professional lines.

The increases increase in liability, property and marine and aviation lines reflected the increase in gross premiums written for the three months ended September 30, 2023 March 31, 2024, compared to the three months ended September 30, 2022 March 31, 2023.

The increase in marine and aviation lines was attributable to reinstatement premiums associated with losses and loss expenses for the three months ended March 31, 2024. The decreases in cyber, and professional lines and were due to the restructuring of significant existing quota share treaties.

The decrease in cyber lines also reflected the decrease in gross premiums written for the three months ended September 30, 2023 March 31, 2024, compared to the three months ended September 30, 2022 March 31, 2023. The decrease in professional lines was also due to the restructuring of a significant existing quota share treaty.

Ceded premiums written for the nine months ended September 30, 2023, was $1,769 million, or 39%, of gross premiums written, compared to $1,624 million, or 40%, of gross premiums written for the nine months ended September 30, 2022. The increase in ceded premiums written of $145 million, or 9%, was primarily driven by increases in property, liability, and marine and aviation lines, partially offset by a decrease in professional lines.

The increases in property, liability, and marine and aviation lines reflected the increase in gross premiums written for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. The increase in property lines was also attributable to the restructuring of two significant existing quota share treaties.

The decrease in professional lines reflected the decrease in gross premiums written for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. The decrease in professional lines was also due to the restructuring of a significant existing quota share treaty.

Net Premiums Earned

Net premiums earned by line of business were as follows:

	Three months ended September 30,				% Change	Nine months ended September 30,				% Change
	2023		2022			2023		2022		
Professional lines	**$ 192,443**	**22 %**	$ 201,110	26 %	(4%)	**$ 569,358**	**22 %**	$ 618,787	27 %	(8%)
Property	**228,900**	**26 %**	187,140	24 %	22%	**636,056**	**24 %**	558,014	25 %	14%
Liability	**124,442**	**14 %**	114,525	15 %	9%	**370,180**	**15 %**	333,433	14 %	11%
Cyber	**80,383**	**9 %**	85,877	11 %	(6%)	**243,925**	**10 %**	226,699	10 %	8%
Marine and aviation	**146,600**	**17 %**	119,119	15 %	23%	**413,334**	**16 %**	350,538	15 %	18%
Credit and political risk	**29,621**	**3 %**	26,186	3 %	13%	**92,146**	**4 %**	75,678	3 %	22%
Accident and health	**83,325**	**9 %**	48,144	6 %	73%	**219,921**	**9 %**	140,491	6 %	57%
Total	**$ 885,714**	**100 %**	$ 782,101	100 %	13%	**$ 2,544,920**	**100 %**	$ 2,303,640	100 %	10%

	Three months ended March 31,				% Change
	2024		2023		
Professional lines	**$ 196,581**	**21 %**	$ 188,953	23 %	4%
Property	**253,593**	**28 %**	197,268	25 %	29%
Liability	**124,639**	**14 %**	124,854	15 %	—%
Cyber	**82,858**	**9 %**	81,820	10 %	1%
Marine and aviation	**139,290**	**15 %**	125,330	15 %	11%
Accident and health	**84,257**	**9 %**	64,543	8 %	31%
Credit and political risk	**36,728**	**4 %**	33,688	4 %	9%

Total	**$ 917,946**	**100 %**	$ 816,456	100 %	12%

Net premiums earned for the three months ended September 30, 2023 March 31, 2024 increased by $104 million $101 million, or 13% 12% ($113 103 million, or 14% 13%, on a constant currency basis(1)), compared to the three months ended September 30, 2022 March 31, 2023.

The increase was primarily driven by increases in gross premiums earned in property, liability, marine and aviation, and accident and health lines, together with a decrease in ceded premiums earned in professional lines. These amounts were partially offset by increases in ceded premiums earned in property, and liability lines together with decreases in gross premiums earned in professional lines and cyber lines.

Net premiums earned for the nine months ended September 30, 2023 increased by $241 million, or 10% ($271 million, or 12%, on a constant currency basis), compared to the nine months ended September 30, 2022.

The increase was primarily driven by increases in gross premiums earned in property, liability, accident and health, marine and aviation, credit and political risk, and cyber lines, together with a decrease in ceded premiums earned in professional lines. These amounts were partially offset by increases in ceded premiums earned in property, liability, and marine and aviation lines, together with a decrease in gross premiums earned in professional lines.

Loss Ratio

The components of the loss ratio were as follows:

	Three months ended March 31,		
	2024	**% Point Change**	**2023**
Current accident year loss ratio	**54.1 %**	(1.1)	55.2 %
Prior year reserve development ratio	**— %**	0.1	(0.1 %)
Loss ratio	**54.1 %**	(1.0)	55.1 %

Current Accident Year Loss Ratio

The current accident year loss ratio decreased to 54.1% for the three months ended March 31, 2024, from 55.2% for the three months ended March 31, 2023.

The decrease in the current accident year loss ratio for the three months ended March 31, 2024, compared to the same period in 2023, was impacted by a lower level of catastrophe and weather-related losses. During the three months ended March 31, 2024, catastrophe and weather-related losses, were $19 million, or 2.1 points, attributable to weather-related events. Comparatively, during the three months ended March 31, 2023, catastrophe and weather-related losses, were $24 million, or 3.0 points, primarily attributable to New Zealand floods, Cyclone Gabrielle, and other weather-related events.

Adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio decreased to 52.0% for the three months ended March 31, 2024, from 52.2% for the three months ended March 31, 2023. The decrease was principally due to changes in business mix associated with the increase in property lines and the decrease in liability lines business written in recent periods.

(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.

Loss Ratio

The components of the loss ratio were as follows:

	Three months ended September 30,			Nine months ended September 30,		
	2023	**% Point Change**	**2022**	**2023**	**% Point Change**	**2022**
Current accident year loss ratio	**55.7 %**	(11.0)	66.7 %	**55.2 %**	(3.8)	59.0 %
Prior year reserve development ratio	**(0.2 %)**	0.1	(0.3 %)	**(0.2 %)**	0.3	(0.5 %)
Loss ratio	**55.5 %**	(10.9)	66.4 %	**55.0 %**	(3.5)	58.5 %

Current Accident Year Loss Ratio

The current accident year loss ratio decreased to 55.7% for the three months ended September 30, 2023, from 66.7% for the three months ended September 30, 2022.

The decrease in the current accident year loss ratio for three months ended September 30, 2023, compared to the same period in 2022, was impacted by a lower level of catastrophe and weather-related losses.During the three months ended September 30, 2023, catastrophe and weather-related losses, were $37 million, or 4.2 points,primarily attributable to Maui wildfires, Hurricane Idalia, and other weather-related events. Comparatively, during the three months ended September 30, 2022, catastrophe and weather-related losses, were $113 million, or 14.1 points, primarily attributable to Hurricane Ian and other events.

After adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio decreased to 51.5% for the three months ended September 30, 2023, from 52.6% for the three months ended September 30, 2022. The decrease was principally due to changes in business mix associated with the increase in property lines and the decrease in professional lines business written in recent periods, together with improved loss experience in property lines.

The current accident year loss ratio decreased to 55.2% for the nine months ended September 30, 2023, from 59.0% for the nine months ended September 30, 2022.

The decrease in current accident year loss ratio for nine months ended September 30, 2023, compared to the same period in 2022, was impacted by a lower level of catastrophe and weather-related losses. During the nine months ended September 30, 2023, catastrophe and weather-related losses, were $88 million, or 3.5 points, primarily attributable to the Earthquake in Turkey, Maui wildfires, Cyclone Gabrielle, New Zealand floods, Hurricane Idalia, and other weather-related events. Comparatively, during the nine months ended September 30, 2022, catastrophe and weather-related losses, were $174 million, or 7.4 points, including natural catastrophe and weather-related losses of $154 million, or 6.6 points, primarily attributable to Hurricane Ian, Eastern Australia floods, South Africa floods, and other weather-related events. The remaining losses of $20 million, or 0.9 points, were attributable to the Russia-Ukraine war.

After adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio of 51.7% for the nine months ended September 30, 2023, was comparable to the current accident year loss ratio of 51.6% for the nine months ended September 30, 2022, principally due to heightened loss trends in liability lines consistent with changes in loss assumptions reflected in recent periods, largely offset by changes in business mix associated with the increase in property lines and decrease in professional lines business written in recent periods.

Prior Year Reserve Development

Refer to Item 1, Note 6 to the Consolidated Financial Statements *'Reserve for losses and loss expenses'* for details on the lines of business and prior year reserve development.

Acquisition Cost Ratio

The acquisition cost ratio increased to 19.1% 19.2% for the three months ended September 30, 2023 March 31, 2024, from 17.8% 18.0% for the three months ended September 30, 2022 March 31, 2023, primarily related to a decrease in ceding commissions largely associated with changes in business mix driven by an increase in property, and accident and health lines of business written in recent periods, which are associated with relatively lower ceding commissions and a decrease in professional lines of business written in recent periods which are associated with relatively higher ceding commissions together with an increase in profit commissions, partially offset by a decrease in variable commissions in property lines.

The acquisition cost ratio increased to 18.6% for the nine months ended September 30, 2023, from 18.4% for the nine months ended September 30, 2022, primarily related to a decrease in ceding commissions largely associated with changes in business mix driven by an increase in property lines of business written in recent periods which are associated with a relatively lower ceding commissions and a decrease commission mainly in professional lines of business written in recent periods which are associated with relatively higher ceding commissions. and cyber lines.

Underwriting-Related General and Administrative Expense Ratio

The underwriting-related general and administrative expense ratio decreased to 13.6% 13.3% for the three months ended September 30, 2023 March 31, 2024, from 13.8% 14.2% for the three months ended September 30, 2022, mainly driven by an increase in net premiums earned, largely offset by an increase in performance-related compensation costs.

The underwriting-related general and administrative expense ratio decreased to 13.7% for the nine months ended September 30, 2023, from 14.3% for the nine months ended September 30, 2022 March 31, 2023, mainly driven by an increase in net premiums earned, partially offset by increases in performance-related compensation costs. and personnel costs.

65 57

Reinsurance Segment

Results from the reinsurance segment were as follows:

	Three months ended September 30,			Nine months ended September 30,		
	2023	% Change	2022	2023	% Change	2022
Revenues:						

Gross premiums written	**$ 448,254**	15%	$ 389,918	**$ 2,014,846**	(14%)	$ 2,341,123
Net premiums written	**90,105**	(65%)	258,995	**1,241,221**	(26%)	1,675,382
Net premiums earned	**436,850**	(13%)	502,765	**1,273,588**	(16%)	1,516,523
Other insurance related income	**10,366**	nm	941	**16,354**	72%	9,528
Expenses:						
Current accident year net losses and loss expenses	**(293,725)**		(425,082)	**(850,039)**		(1,102,847)
Prior year reserve development	**1,153**		2,177	**7,685**		5,236
Acquisition costs	**(94,005)**		(101,075)	**(273,614)**		(323,464)
Underwriting-related general and administrative expenses	**(18,271)**		(24,498)	**(61,757)**		(82,471)
Underwriting income (loss)	**$ 42,368**		$ (44,772)	**$ 112,217**		$ 22,505
Ratios:		**% Point Change**			**% Point Change**	
Current accident year loss ratio, excluding catastrophe and weather-related losses	**66.2 %**	2.0	64.2 %	**64.9 %**	3.3	61.6 %
Catastrophe and weather-related losses ratio	**1.0 %**	(19.3)	20.3 %	**1.8 %**	(9.3)	11.1 %
Current accident year loss ratio	**67.2 %**	(17.3)	84.5 %	**66.7 %**	(6.0)	72.7 %
Prior year reserve development ratio	**(0.2 %)**	0.2	(0.4 %)	**(0.6 %)**	(0.3)	(0.3 %)
Net losses and loss expenses ratio	**67.0 %**	(17.1)	84.1 %	**66.1 %**	(6.3)	72.4 %
Acquisition cost ratio	**21.5 %**	1.4	20.1 %	**21.5 %**	0.2	21.3 %
Underwriting-related general and administrative expense ratio	**4.2 %**	(0.7)	4.9 %	**4.9 %**	(0.5)	5.4 %
Combined ratio	**92.7 %**	(16.4)	109.1 %	**92.5 %**	(6.6)	99.1 %

	Three months ended March 31,		
	2024	**% Change**	**2023**
Revenues:			
Gross premiums written	**$ 1,079,922**	12%	$ 966,364
Net premiums written	**699,719**	(4%)	725,780

Net premiums earned	**340,095**	(18%)	413,743
Other insurance related income	**8,319**	nm	523
Expenses:			
Current accident year net losses and loss expenses	**(231,807)**		(274,172)
Prior year reserve development	**—**		2,997
Acquisition costs	**(78,225)**		(83,315)
Underwriting-related general and administrative expenses	**(15,706)**		(23,765)
Underwriting income	**$ 22,676**		$ 36,011
Ratios:		**% Point Change**	
Current accident year loss ratio, excluding catastrophe and weather-related losses	**68.0 %**	5.0	63.0 %
Catastrophe and weather-related losses ratio	**0.2 %**	(3.1)	3.3 %
Current accident year loss ratio	**68.2 %**	1.9	66.3 %
Prior year reserve development ratio	**— %**	0.8	(0.8 %)
Net losses and loss expenses ratio	**68.2 %**	2.7	65.5 %
Acquisition cost ratio	**23.0 %**	2.9	20.1 %
Underwriting-related general and administrative expense ratio	**4.6 %**	(1.2)	5.8 %
Combined ratio	**95.8 %**	4.4	91.4 %

nm – not meaningful

66 58

Gross Premiums Written

Gross premiums written by line of business were as follows:

	Three months ended September 30,			Nine months ended September 30,		
	2023	**2022**	**% Change**	**2023**	**2022**	**% Change**

Liability	**$ 184,665**	**41 %**	$ 156,500	40 %	18%	**$ 542,760**	**27 %**	$ 630,921	27 %	(14%)
Accident and health	**64,463**	**14 %**	59,313	15 %	9%	**381,144**	**19 %**	400,016	17 %	(5%)
Professional lines	**42,950**	**10 %**	27,575	7 %	56%	**365,384**	**18 %**	334,210	14 %	9%
Credit and surety	**70,486**	**16 %**	53,944	14 %	31%	**289,153**	**14 %**	234,692	10 %	23%
Motor	**27,113**	**6 %**	22,035	6 %	23%	**194,194**	**10 %**	209,563	9 %	(7%)
Agriculture	**37,846**	**8 %**	39,312	10 %	(4%)	**127,231**	**6 %**	117,108	5 %	9%
Marine and aviation	**6,954**	**2 %**	8,823	2 %	(21%)	**59,518**	**3 %**	84,506	4 %	(30%)
Total	**434,477**	**97 %**	367,502	94 %	18%	**1,959,384**	**97 %**	2,011,016	86 %	(3%)
Run-off lines										
Catastrophe	**6,415**	**2 %**	21,227	5 %	(70%)	**33,590**	**2 %**	221,700	10 %	(85%)
Property	**5,271**	**1 %**	2,173	1 %	nm	**18,718**	**1 %**	98,882	4 %	(81%)
Engineering	**2,091**	**— %**	(984)	— %	nm	**3,154**	**— %**	9,525	— %	(67%)
Total run-off lines	**13,777**	**3 %**	22,416	6 %	(39%)	**55,462**	**3 %**	330,107	14 %	(83%)
Total	**$ 448,254**	**100 %**	$ 389,918	100 %	15%	**$2,014,846**	**100 %**	$2,341,123	100 %	(14%)

	Three months ended March 31,				
	2024		**2023**		**% Change**
Liability	**$ 218,175**	**20 %**	$ 198,861	21 %	10%
Accident and health	**310,792**	**29 %**	295,985	31 %	5%
Professional lines	**146,832**	**14 %**	136,201	14 %	8%
Credit and surety	**164,043**	**15 %**	115,237	12 %	42%
Motor	**152,145**	**14 %**	140,115	14 %	9%
Agriculture	**39,501**	**4 %**	22,399	2 %	76%
Marine and aviation	**46,134**	**4 %**	30,531	3 %	51%
Run-off lines					
Catastrophe	**1,423**	**— %**	16,301	2 %	(91%)
Property	**(156)**	**— %**	9,605	1 %	nm
Engineering	**1,033**	**— %**	1,129	— %	(9%)
Total run-off lines	**2,300**	**— %**	27,035	3 %	(91%)
Total	**$1,079,922**	**100 %**	$ 966,364	100 %	12%

nm – not meaningful

Gross premiums written for the three months ended September 30, 2023 March 31, 2024, increased by $58 million $114 million, or 15% 12% ($102 million, or 11%, on a constant currency basis), compared to the three months ended September 30, 2022 March 31, 2023. The increase was primarily attributable to liability, credit and surety, professional lines, liability, agriculture, marine and aviation, accident and health, motor, and motor professional lines, partially offset by a decrease decreases in catastrophe and property lines.

The increase in credit and surety lines was driven by new business, increased line sizes on surety contracts, the timing of renewals of several credit and surety contracts and positive premium adjustments in the three months ended March 31, 2024, compared to negative premium adjustments in the three months ended March 31, 2023.

The increase in liability lines was related to new business, an increased line size on a significant U.S. regional multi-line contract and the timing of the renewal renewals of significant contracts, partially offset by non-renewals and decreased line sizes on several contracts, and a lower level of premium adjustments associated with favorable market conditions in the three months ended September 30, 2023 March 31, 2024, compared to the three months ended September 30, 2022 March 31, 2023.

The increase in credit agriculture lines was due to new business and surety the timing of the renewal of a significant contract, partially offset by negative premium adjustments.

The increase in marine and aviation lines was driven by increased new marine business.

The increase in accident and health lines was related to positive premium adjustments in the three months ended March 31, 2024, compared to the negative premium adjustments in the three months ended March 31, 2023, and new business, partially offset by decreased line sizes on surety contracts several contracts.

The increase in motor lines was due to the timing of the renewal of a significant contract and new mortgage business. business, partially offset by non-renewals and decreased line sizes on several contracts associated with repositioning the portfolio.

The increase in professional lines was attributable to new business and the timing of renewals, an increased line size on a significant contract, partially offset by a lower level of negative premium adjustments associated with favorable unfavorable market conditions in the three months ended September 30, 2023 March 31, 2024, compared to the three months ended September 30, 2022.

The increase in accident and health lines was related to new business.

The increase in motor lines was due to positive premium adjustments related to favorable market conditions in the three months ended September 30, 2023 attributable to several contracts compared to negative premium adjustments in March 31, 2023, and the three months ended September 30, 2022 associated with unfavorable market conditions.

The decrease in catastrophe lines was associated with timing of the exit from this line renewal of business in June 2022.

Gross premiums written for the nine months ended September 30, 2023, decreased by $326 million, or 14% ($281 million, or 12%, on a constant currency basis), compared to the nine months ended September 30, 2022. The decrease was attributable to catastrophe, liability, property, marine and aviation, accident and health, motor, and engineering lines, partially offset by increases in credit and surety, professional lines, and agriculture lines.significant contract.

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

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

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

The decrease in accident and health lines was related to lower premium adjustments in the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, together with the timing of renewals of two significant contracts.

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

The decrease in engineering lines was attributable to premium adjustments related to a significant contract in the nine months ended September 30, 2022.

The increase in credit and surety lines was driven by new business, including mortgage business.

The increase in professional lines was attributable to new business and increased line sizes, partially offset by a lower level of premium adjustments associated with favorable market conditions in the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022.

The increase in agriculture lines was due to new business and an increased line size on a significant contract, partially offset by the non-renewals.

Ceded Premiums Written

Ceded premiums written for the three months ended September 30, 2023 March 31, 2024, was $358 million $380 million, or 80% 35%, of gross premiums written, compared to $131 million $241 million, or 34% 25%, of gross premiums written for the three months ended September 30, 2022 March 31, 2023. The increase in ceded premiums written of $227 million $140 million, or 174% 58%, was primarily driven by increases in liability, professional lines, credit and surety, liability, accident and health, professional lines, motor, and motor marine and aviation lines, partially offset by a decrease in catastrophe lines.

The increases in liability, professional lines, credit and surety, liability, accident and health, professional lines and motor lines were primarily attributable to premiums ceded to a quota share retrocession agreement entered into with Monarch Point Re (ISA 2024) Ltd. on September 22, 2023 with an effective date of January 1, 2023. Refer to Item 2, *Management's Discussion and Analysis of Financial Condition and Results of Operations – Overview – Recent Developments – Retrocession Agreement with Monarch Point Re* for further information.

The decrease in catastrophe lines was due to lower costs associated with catastrophe bond protection, together with the decrease in gross premiums written in the three months ended September 30, 2023, January 1, 2024 compared to the three months ended September 30, 2022 following the exit from this line of business in June 2022.

Ceded premiums written for the nine months ended September 30, 2023, was $774 million, or 39%, of gross premiums written, compared to $666 million, or 28%, of gross premiums written for the nine months ended September 30, 2022. The increase in ceded premiums written of $108 million, or 16%, was primarily driven by increases in professional lines, liability, accident and health, credit and surety, motor, and agriculture lines, partially offset by a decrease in catastrophe lines.

The increases in professional lines, liability, accident and health, credit and surety, and motor lines were primarily attributable to premiums ceded to a quota share retrocession agreement entered into with Monarch Point Re (ISA 2023) Ltd. on September 22, 2023 with an effective date of January 1, 2023. Refer to Item 2, *Management's Discussion and Analysis of Financial Condition and Results of Operations – Overview – Recent Developments – Retrocession Agreement with Monarch Point Re* for further information.

The increase in professional credit and surety lines was also due to an increase in gross premiums written in the three months ended March 31, 2024, compared to the three months ended March 31, 2023, and the restructuring of a significant quota share retrocessional retrocession treaty with a strategic capital partner, partially offset by the non-renewal of a significant retrocessional treaty with a strategic capital partner. quota share retrocession treaty.

68

The increase increases in liability lines was partially offset by the decrease in gross premiums written in the nine months ended September 30, 2023, compared and professional lines were also due to the nine months ended September 30, 2022, the restructuring of a significant quota share retrocessional retrocession treaty and with a strategic capital partner, partially offset by the non-renewal restructuring of a another significant retrocessional quota share retrocession treaty with a strategic capital partner.

The increase in accident and health motor lines was also partially offset by the restructuring of a significant quota share retrocession treaty with a strategic capital partner.

The increase in marine and aviation lines was attributable to an increase in gross premiums written in the three months ended March 31, 2024, compared to the three months ended March 31, 2023, and the restructuring of a significant quota share retrocessional treaty with a strategic capital partner.

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

The increase in motor lines was partially offset by due to the decrease in gross premiums written in the nine three months ended September 30, 2023 March 31, 2024, compared to the nine three months ended September 30, 2022.

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

The decrease in catastrophe lines was due to lower costs associated with catastrophe bond protection, together with the decrease in gross premiums written in the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022 March 31, 2023 following the exit from this line of business in June 2022.

Net Premium Earned

Net premiums earned by line of business were as follows:

	Three months ended September 30,					Nine months ended September 30,				
	2023		2022		% Change	2023		2022		% Change
Liability	**$ 106,489**	**24 %**	$ 126,858	25 %	(16%)	**$ 317,006**	**25 %**	$ 361,540	24 %	(12%)
Accident and health	**93,585**	**21 %**	98,156	20 %	(5%)	**265,689**	**21 %**	286,085	19 %	(7%)
Professional lines	**54,590**	**12 %**	62,472	12 %	(13%)	**169,601**	**13 %**	181,540	12 %	(7%)
Credit and surety	**61,717**	**14 %**	45,126	9 %	37%	**176,092**	**14 %**	138,326	9 %	27%

Motor	**40,373**	**9 %**	46,619	9 %	(13%)	**124,166**	**10 %**	147,246	10 %	(16%)
Agriculture	**39,428**	**9 %**	40,106	8 %	(2%)	**91,520**	**7 %**	84,058	6 %	9%
Marine and aviation	**17,310**	**4 %**	19,266	4 %	(10%)	**49,436**	**4 %**	57,332	4 %	(14%)
Total	**413,492**	**93 %**	438,603	87 %	(6%)	**1,193,510**	**94 %**	1,256,127	84 %	(5%)
Run-off lines										
Catastrophe	**8,923**	**4 %**	31,710	6 %	(72%)	**31,236**	**2 %**	130,889	7 %	(76%)
Property	**10,020**	**2 %**	28,323	6 %	(65%)	**37,327**	**3 %**	104,964	7 %	(64%)
Engineering	**4,415**	**1 %**	4,129	1 %	7%	**11,515**	**1 %**	24,543	2 %	(53%)
Total run-off lines	**23,358**	**7 %**	64,162	13 %	(64%)	**80,078**	**6 %**	260,396	16 %	(69%)
Total	**$ 436,850**	**100 %**	$ 502,765	100 %	(13%)	**$1,273,588**	**100 %**	$1,516,523	100 %	(16%)

	Three months ended March 31,				
	2024		**2023**		**% Change**
Liability	**$ 84,419**	**25 %**	$ 102,441	25 %	(18%)
Accident and health	**81,014**	**24 %**	83,184	20 %	(3%)
Professional lines	**36,895**	**11 %**	57,011	14 %	(35%)
Credit and surety	**55,797**	**16 %**	54,013	13 %	3%
Motor	**31,824**	**9 %**	38,835	9 %	(18%)
Agriculture	**23,485**	**7 %**	25,632	6 %	(8%)
Marine and aviation	**18,900**	**6 %**	16,273	4 %	16%
Run-off lines					
Catastrophe	**3,484**	**1 %**	13,361	4 %	(74%)
Property	**3,116**	**1 %**	18,609	4 %	(83%)
Engineering	**1,161**	**— %**	4,384	1 %	(74%)
Total run-off lines	**7,761**	**2 %**	36,354	9 %	(79%)
Total	**$ 340,095**	**100 %**	$ 413,743	100 %	(18%)

Net premiums earned for the three months ended September 30, 2023 March 31, 2024, decreased by $66 million $74 million, or 13% 18% ($51 70 million, or 10% 17%, on a constant currency basis), compared to the three months ended September 30, 2022 March 31, 2023.

60

The decrease was primarily driven by decreases in gross premiums earned in catastrophe, property and professional lines, together with increases in ceded premiums earned in liability, property, professional lines, and motor lines. These amounts were partially offset by an increase in gross premiums earned in liability lines, together with a decrease in ceded premiums earned in catastrophe lines and an increase in gross premiums earned in credit and surety lines.

Net premiums earned for the nine months ended September 30, 2023, decreased by $243 million, or 16% ($196 million, or 13%, on a constant currency basis), compared to the nine months ended September 30, 2022.

The decrease was primarily driven by decreases in gross premiums earned in catastrophe, property, liability, accident and health, motor, engineering, and marine and aviation lines, together with increases in ceded premiums earned in motor, professional lines, and accident and health lines. These amounts were partially offset by decreases in ceded premiums earned in catastrophe, and liability lines and increases in gross premiums earned in credit and surety, and agriculture lines.

69

Other Insurance Related Income (Loss)

Other insurance related income increased by $9 million to $10 million of $8 million for the three months ended September 30, 2023 March 31, 2024, compared to other insurance related income of $1 million for the three months ended September 30, 2022 March 31, 2023, primarily associated with an increase in fees related to arrangements with strategic capital partners.

Other insurance related income increased by $7 million to $16 million for the nine months ended September 30, 2023, compared to other insurance related income of $10 million for the nine months ended September 30, 2022, was primarily associated with an increase in fees related to arrangements with strategic capital partners.

Loss Ratio

The components of the loss ratio were as follows:

	Three months ended September 30,			Nine months ended September 30,		
	2023	% Point Change	2022	2023	% Point Change	2022
Current accident year loss ratio	**67.2 %**	(17.3)	84.5 %	**66.7 %**	(6.0)	72.7 %
Prior year reserve development ratio	**(0.2 %)**	0.2	(0.4 %)	**(0.6 %)**	(0.3)	(0.3 %)
Loss ratio	**67.0 %**	(17.1)	84.1 %	**66.1 %**	(6.3)	72.4 %

	Three months ended March 31,		
	2024	% Point Change	2023
Current accident year loss ratio	**68.2 %**	1.9	66.3 %
Prior year reserve development ratio	**— %**	0.8	(0.8 %)
Loss ratio	**68.2 %**	2.7	65.5 %

Current Accident Year Loss Ratio

The current accident year loss ratio decreased increased to 67.2% 68.2% for the three months ended September 30, 2023 March 31, 2024, from 84.5% 66.3% for the three months ended September 30, 2022 March 31, 2023.

The current accident year loss ratio for three months ended September 30, 2023 March 31, 2024, compared to the same period in 2022, 2023, was impacted by a lower level of catastrophe and weather-related losses. During the three months ended September 30, 2023 March 31, 2024, catastrophe and weather-related losses, were $5 million $1 million, or 1.0 0.2 point, primarily attributable to weather-related events. Comparatively, during the three months ended September 30, 2022 March 31, 2023, catastrophe and weather-related losses, were $99 million $13 million, or 20.3 3.3 points, primarily attributable to Hurricane Ian, an increase of $23 million in the net loss estimate attributable to June European Convective Storms consistent with an updated industry insured loss estimate, New Zealand floods, and other weather-related events.

After adjusting Adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio increased to 66.2% 68.0% for the three months ended September 30, 2023 March 31, 2024, from 64.2% 63.0% for the three months ended September 30, 2022 March 31, 2023. The increase was principally due to elevated loss experience in marine and aviation lines and changes in business mix associated with the exit from catastrophe and property lines of business, the impact of the loss expense related to the retrocession agreement entered into with Monarch Point Re, partially offset by changes in business mix due to the increase in credit and surety lines of business written in the recent periods which carry a relatively lower loss ratio.

The current accident year loss ratio decreased to 66.7% for the nine months ended September 30, 2023 from 72.7% for the nine months ended September 30, 2022.

The current accident year loss ratio for nine months ended September 30, 2023, compared to the same period in 2022, was impacted by a lower level of catastrophe and weather-related losses. During the nine months ended September 30, 2023, catastrophe and weather-related losses, were $24 million, or 1.8 points, primarily attributable to Cyclone Gabrielle, and other weather-related events. Comparatively, during the nine months ended September 30, 2022, catastrophe and weather-related losses, were $166 million, or 11.1 points, including natural catastrophe and weather-related losses of $153 million, or 10.2 points, primarily attributable to Hurricane Ian, June European Convective Storms, South Africa floods, Eastern Australia floods and other weather-related events. The remaining losses of $13 million, or 0.9 points, were attributable to the Russia-Ukraine war.

70

After adjusting for the impact of the catastrophe and weather-related losses, the current accident year loss ratio increased to 64.9% for the nine months ended September 30, 2023, from 61.6% for the nine months ended September 30, 2022. The increase was principally due to changes in business mix associated with the exit from catastrophe and property lines of business, elevated experience in engineering lines, and the impact of the loss expense related to the retrocession agreement entered into with Monarch Point Re, partially offset by changes in business mix due to the increase in credit and surety lines of business written in the recent periods which carry a relatively lower loss ratio. business.

Prior Year Reserve Development

Refer to Item 1, Note 6 to the Consolidated Financial Statements *'Reserve for losses and loss expenses'* for details on the lines of business and prior year reserve development.

Acquisition Cost Ratio

The acquisition cost ratio increased to 21.5% 23.0% for the three months ended September 30, 2023 March 31, 2024, from 20.1% for the three months ended September 30, 2022 March 31, 2023, principally primarily related to adjustments attributable to loss-sensitive features driven by improved loss performance mainly in liability, credit and surety, and accident and health lines, and higher costs associated with changes in business mix driven by increases in credit and surety, professional lines, and accident and health, and liability lines of business written in recent periods, together with decreases in catastrophe and property lines of business written in recent periods, partially offset by the impact of retrocessional contracts on professional lines, and liability lines.

The acquisition cost ratio increased to 21.5% for the nine months ended September 30, 2023, from 21.3% for the nine months ended September 30, 2022, principally related to changes in business mix driven by increases in professional lines, credit and surety, accident and health, and liability lines of business written in recent periods together with decreases in catastrophe and property lines of business written in recent periods, largely offset by the impact of retrocessional contracts on professional lines, credit and surety, liability, and motor lines.

Underwriting-Related General and Administrative Expense Ratio

The underwriting-related general and administrative expense decreased to 4.2% 4.6% for the three months ended September 30, 2023 March 31, 2024, from 4.9% 5.8% for the three months ended September 30, 2022 March 31, 2023, mainly driven by an increase in fees related to arrangements with strategic capital partners and a decrease in personnel costs, associated with the exit from catastrophe and property lines of business, partially offset by a decrease in net premiums earned, an increase in performance-related compensation costs and a decrease in fees related to arrangements with strategic capital partners. earned.

The underwriting-related general and administrative expense ratio decreased to 4.9% for the nine months ended September 30, 2023, from 5.4% for the nine months ended September 30, 2022, mainly driven by a decrease in personnel costs associated with the exit from catastrophe and property lines of business, partially offset by decreases in net premiums earned and fees related to arrangements with strategic capital partners.

NET INVESTMENT INCOME AND NET INVESTMENT GAINS (LOSSES)

Net Investment Income

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

	Three months ended September 30,			Nine months ended September 30,		
	2023	**% Change**	**2022**	**2023**	**% Change**	**2022**
Fixed maturities	**$ 133,006**	52%	$ 87,364	**$ 375,659**	67%	$ 224,780
Other investments	**312**	nm	(7,576)	**(4,543)**	nm	32,801
Equity securities	**3,050**	22%	2,490	**8,495**	16%	7,349
Mortgage loans	**8,892**	42%	6,256	**26,158**	71%	15,323
Cash and cash equivalents	**14,465**	nm	5,350	**35,638**	nm	10,147
Short-term investments	**2,195**	nm	1,004	**5,984**	nm	1,571
Gross investment income	**161,920**	71%	94,888	**447,391**	53%	291,971
Investment expense	**(7,719)**	15%	(6,711)	**(22,589)**	12%	(20,227)
Net investment income	**$ 154,201**	75%	$ 88,177	**$ 424,802**	56%	$ 271,744
Pre-tax yield:(1)						
Fixed maturities	**4.0 %**		2.7 %	**3.8 %**		2.4 %

nm - not meaningful

	Three months ended March 31,		
	2024	**% Change**	**2023**
Fixed maturities	**$ 139,396**	18%	$ 118,262
Other investments	**5,673**	nm	486
Equity securities	**2,762**	13%	2,455
Mortgage loans	**9,130**	9%	8,386
Cash and cash equivalents	**13,661**	36%	10,012
Short-term investments	**3,463**	nm	1,660
Gross investment income	**174,085**	23%	141,261
Investment expense	**(6,702)**	(11%)	(7,490)
Net investment income	**$ 167,383**	25%	$ 133,771
Pre-tax yield:(1)			
Fixed maturities	**4.2 %**		3.7 %

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

Fixed Maturities

Net investment income attributable to fixed maturities for the three and nine months ended September 30, 2023 March 31, 2024 increased to $139 million, was $133 million and $376 million, respectively, compared to net investment income of $87 million and $225 million, respectively, $118 million for the three and nine months ended September 30,

2022. The increase for the three and nine months ended September 30, 2023 March 31, 2023, compared to the same period in 2022, was due to an increase in yields.

Other Investments

Net investment income (loss) from other investments was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Hedge, direct lending, private equity and real estate funds	**$ 1,327**	$ (7,565)	**$ 1,058**	$ 31,170
Other privately held investments	**(1,348)**	(901)	**(6,861)**	(1,285)
CLO-Equities	**333**	890	**1,260**	2,916
Total net investment income (loss) from other investments	**$ 312**	$ (7,576)	**$ (4,543)**	$ 32,801
Pre-tax return on other investments(1)	**— %**	(0.8 %)	**(0.5 %)**	3.4 %

	Three months ended March 31,	
	2024	**2023**
Multi-strategy, direct lending, private equity and real estate funds	**$ 3,335**	$ (448)
Other privately held investments	**2,338**	500
CLO-Equities	**—**	434
Total net investment income from other investments	**$ 5,673**	$ 486
Pre-tax return on other investments(1)	**0.6 %**	— %

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

Net investment income (loss) attributable to other investments for the three and nine months ended September 30, 2023 March 31, 2024 increased to $6 million, was $0.3 million and $(5) million, respectively, compared to net investment income (loss) of $(8) million and $33 million, respectively, for the three and nine months ended September 30, 2022. The increase $0.5 million for the three months ended September 30, 2023 March 31, 2023, compared to the same period in 2022, was primarily related to higher returns from private equity funds and direct lending funds. The decrease for the nine months ended September 30, 2023, compared to the same period in 2022, was primarily related to lower returns from real estate funds and private equity funds.

other privately held investments.

72 62

Net Investment Gains (Losses)

Net investment gains (losses) were as follows:

	Three months ended September 30, 2023	Three months ended September 30, 2022	Nine months ended September 30, 2023	Nine months ended September 30, 2022
On sale of investments:				
Fixed maturities and short-term investments	**$ (27,247)**	$ (98,926)	**$ (100,760)**	$ (238,124)
Equity securities	**8,429**	6,819	**9,568**	6,594
	(18,818)	(92,107)	**(91,192)**	(231,530)
(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	**1,618**	(3,210)	**2,800**	(10,191)
(Increase) decrease in allowance for expected credit losses, mortgage loans	**(541)**	—	**(4,179)**	—
Impairment losses (1)	**(41)**	(6,491)	**(9,124)**	(7,074)
Change in fair value of investment derivatives	**1,692**	4,400	**218**	11,463
Net unrealized gains (losses) on equity securities	**(37,024)**	(49,050)	**3,806**	(176,899)
Net investment gains (losses)	**$ (53,114)**	$ (146,458)	**$ (97,671)**	$ (414,231)

	Three months ended March 31, 2024	Three months ended March 31, 2023
On sale of investments:		
Fixed maturities and short-term investments	**$ (29,533)**	$ (41,279)
Equity securities	**22,914**	1,121
	(6,619)	(40,158)

(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale	**6,522**	(911)
(Increase) decrease in allowance for expected credit losses, mortgage loans	**(1,858)**	(1,900)
Impairment losses (1)	**(8)**	—
Change in fair value of investment derivatives	**795**	(947)
Net unrealized gains (losses) on equity securities	**(8,039)**	23,726
Net investment gains (losses)	**$ (9,207)**	$ (20,190)

(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.

Net investment losses for the three and nine months ended September 30, 2023 March 31, 2024 were $53 million and $98 million $9 million, respectively, compared to net investment losses of $146 million and $414 million, respectively, for $20 million or the three and nine months ended September 30, 2022 March 31, 2023.

For the three months ended September 30, 2023, the net investment losses were primarily due to net realized losses on the sale of U.S. government and corporate debt securities, and net unrealized losses on equity securities. For the three months ended September 30, 2022, the net investment losses were primarily due to net realized losses on the sale of corporate debt, U.S government and Agency RMBS, and net unrealized losses on equity securities.

For the nine months ended September 30, 2023 March 31, 2024, the net investment losses were primarily due to net realized losses on the sale of corporate debt and U.S U.S. government securities and net unrealized losses on equity securities, partially offset by net realized gains on the sale of equity securities. For the nine three months ended September 30, 2022 March 31, 2023, the net investment losses were primarily due to net realized losses on the sale of corporate debt U.S and Non-U.S. government and Agency RMBS, and securities, partially offset by net unrealized losses gains on equity securities.

(Increase) decrease in allowance for expected credit losses, fixed maturities, available for sale

For the three months ended March 31, 2024, the allowance for expected credit losses decreased by $7 million, primarily related to the sale of securities. Refer to Note 3(i) to the Consolidated Financial Statements '*Investments*'.

(Increase) decrease in allowance for expected credit losses, mortgage loans

For the three and nine months ended September 30, 2023 March 31, 2024, the allowance for expected credit losses increased by $1 million and $4 million $2 million, respectively, primarily related to two one collateral dependent mortgage loans. Refer to Note 3(d) to the Consolidated Financial Statements '*Investments*'.

Impairment Losses

The impairment losses for the three and nine months ended September 30, 2023 were $nil and $9 million, respectively, compared to impairment losses of $6 million and $7 million, respectively, for the three and nine months ended September 30, 2022. The increase in impairment losses related to a small number of securities that we intend to sell before their anticipated recovery.

Change in Fair Value of Investment Derivatives

We economically hedge foreign exchange exposure with derivative contracts.

For the three and nine months ended September 30, 2023 March 31, 2024, foreign exchange hedges resulted in net gains of $2 million and $nil, respectively, $1 million, primarily attributable to securities denominated in euro and pound sterling.

For the three and nine months ended September 30, 2022 March 31, 2023, foreign exchange hedges resulted in $1 million of net gains of $4 million and $11 million, respectively, losses primarily attributable to securities denominated in euro and pound sterling.

Total Return

Total return on cash and investments was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Net investment income	**$ 154,201**	$ 88,177	**$ 424,802**	$ 271,744
Net investments gains (losses)	**(53,114)**	(146,458)	**(97,671)**	(414,231)
Change in net unrealized gains (losses) on fixed maturities (1)	**(157,943)**	(296,487)	**(17,909)**	(1,142,423)

Interest in income (loss) of equity method investments	**2,940**	(7,560)	**2,835**	5,040
Total	**$ (53,916)**	$ (362,328)	**$ 312,057**	$ (1,279,870)
Average cash and investments(2)	**$ 16,281,540**	$ 15,824,697	**$ 16,057,260**	$ 16,003,712
Total return on average cash and investments, pre-tax:				
Including investment related foreign exchange movements	**(0.3 %)**	(2.3 %)	**1.9 %**	(8.0 %)
Excluding investment related foreign exchange movements(3)	**— %**	(1.8 %)	**2.0 %**	(6.8 %)

	Three months ended March 31,	
	2024	**2023**
Net investment income	**$ 167,383**	$ 133,771
Net investments gains (losses)	**(9,207)**	(20,190)
Change in net unrealized gains (losses) on fixed maturities (1)	**(51,963)**	212,922
Interest in income (loss) of equity method investments	**1,169**	(2,205)
Total	**$ 107,382**	$ 324,298
Average cash and investments(2)	**$ 16,822,621**	$ 15,832,861
Total return on average cash and investments, pre-tax:		
Including investment related foreign exchange movements	**0.6 %**	2.0 %
Excluding investment related foreign exchange movements(3)	**0.8 %**	1.9 %

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

(2) The average cash and investments balance is calculated by taking the average of the period end 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 $(49) $(25) million and $(83) million $19 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively and foreign exchange (losses) gains of $(9) million and $(189) million for the nine months ended September 30, 2023 and 2022, 2023, respectively.

OTHER EXPENSES (REVENUES), NET

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

	Three months ended September 30,			Nine months ended September 30,		
	2023	**% Change**	**2022**	**2023**	**% Change**	**2022**
Corporate expenses	**$ 40,682**	58%	$ 25,675	**$ 102,345**	28%	$ 79,803
Foreign exchange gains	**(50,570)**	(63%)	(135,660)	**(11,755)**	(95%)	(236,934)
Interest expense and financing costs	**16,445**	3%	15,915	**50,077**	7%	46,720
Income tax expense (benefit)	**24,624**	nm	(363)	**68,078**	nm	(5,304)
Total	**$ 31,181**		$ (94,433)	**$ 208,745**		$ (115,715)

	Three months ended March 31,		
	2024	**% Change**	**2023**
Corporate expenses	**$ 25,580**	(3%)	$ 26,416
Foreign exchange losses (gains)	**(23,552)**	nm	8,710
Interest expense and financing costs	**17,147**	1%	16,894
Income tax expense (benefit)	**(124,654)**	nm	15,896
Total	**$ (105,479)**		$ 67,916

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 were 3.1% for the three months ended September 30, 2023, compared decreased to 2.0% for the three months ended September 30, 2022 due March 31, 2024, from to increases 2.1% for the three months ended March 31, 2023 mainly driven by decreases in performance-related compensation costs executive-related compensation and information technology costs, associated with the transition in our senior leadership.

As a percentage of net premiums earned, corporate expenses were 2.7% for the nine months ended September 30, 2023, compared to 2.1% for the nine months ended September 30, 2022 due to largely offset by increases in performance-related compensation personnel costsexecutive-related compensation costs associated with the transition in our senior leadership and professional fees.

Foreign Exchange Losses (Gains)

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

Foreign exchange gains of $51 million $24 million for the three months ended September 30, 2023 March 31, 2024 were mainly driven by the impact of the strengthening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in euro, Canadian dollar and pound sterling, euro and Canadian dollar. sterling.

Foreign exchange gains losses of $12 million $9 million for the nine three months ended September 30, 2023 March 31, 2023 were mainly driven by the impact of the strengtheningweakening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in pound sterling and the Turkish lira.

Foreign exchange gains of $136 million for the three months ended September 30, 2022 were mainly driven euro, partially offset by the impact of the strengthening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in pound sterling and euro.

Foreign exchange gains of $237 million for the nine months ended September 30, 2022 were mainly driven by the impact of the strengthening of the U.S. dollar on the remeasurement of net insurance-related liabilities denominated in pound sterling and euro. Turkish lira.

Interest Expense and Financing Costs

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

Interest expense and financing costs were $16 million and $50 million$17 million for the three and nine months ended September 30, 2023, respectively, March 31, 2024 and $16 million and $47 million for the three and nine months ended 2023September 30, 2022, respectively. .

Income Tax Expense (Benefit)

Income tax expense (benefit) primarily results from income (loss) generated by our foreign operations in the U.S., U.K., and Europe. Our effective tax rate which is calculated as income tax expense (benefit) divided by income (loss) before tax including interest in income (loss) of equity method investments was 11.6% for the three and nine months ended September 30, 2023, and 3.7% and (3.1)(46.0)% for the three and nine months ended September 30, 2022March 31, 2024, and 8.1% for the three months ended March 31, 2023, respectively. This effective rate can vary between periods depending on the distribution of net income (loss) among tax jurisdictions, as well as other factors.

The income tax expensebenefit of $25$125 million for the three months ended September 30, 2023 March 31, 2024 was principally due to the recognition of an income tax benefit of $163 million related to a future Bermuda corporate income tax rate of 15%, pursuant to the Corporate Income Tax Act 2023, partially offset by income tax expense associated with the generation of pre-tax income in our U.S. and U.K. operations.

The income tax expense of $16 million for the three months ended March 31, 2023 was principally due to the generation of pre-tax income in our U.S., U.K.U.K and European operations.

The tax expense of $68 million for the nine months ended September 30, 2023 was principally due to the generation of pre-tax income in our U.S., U.K. and European operations.

The tax expense (benefit) of $nil for the three months ended September 30, 2022 was principally due to the generation of pre-tax losses in our U.S. and U.K. operations, and the revaluation of the net deferred tax liability associated with the increase in the U.K. tax rate to 25% from 19%, effective April 1, 2023, partially offset by an increasea decrease in the valuation allowance on deferred tax assets in Europe.

The tax benefit of $5 million for the nine months ended September 30, 2022 was principally due to the revaluation of net operating loss deferred tax assets associated with the increase in the U.K. tax rate to 25% from 19%, effective April 1, 2023, and the generation of pre-tax losses in our U.S. operations, partially offset by an increase in the valuation allowance on deferred tax assets in Europe.

76 66

FINANCIAL MEASURES

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

	Three months ended September 30,				Nine months ended September 30,			
	2023		2022		2023		2022	
Annualized return on average common equity(1)		**16.1 %**		(1.7 %)		**15.4 %**		4.7 %
Annualized operating return on average common equity(2)		**18.0 %**		0.3 %		**18.4 %**		10.2 %
Book value per diluted common share(3)	**$**	**51.17**	$	43.50	**$**	**51.17**	$	43.50
Cash dividends declared per common share	**$**	**0.44**	$	0.43	**$**	**1.32**	$	1.29
Increase (decrease) in book value per diluted common share adjusted for dividends	**$**	**0.63**	$	(3.69)	**$**	**9.43**	$	(10.99)

	Three months ended March 31,			
	2024		2023	
Annualized return on average common equity(1)		**32.1 %**		16.2 %
Annualized operating return on average common equity(2)		**18.2 %**		18.8 %
Book value per diluted common share(3)	**$**	**57.13**	$	50.31

Cash dividends declared per common share	**$**	**0.44**	$	0.44
Increase (decrease) in book value per diluted common share adjusted for dividends	**$**	**3.51**	$	3.80

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

(2) Annualized operating return on average common equity ("operating ROACE") is a non-GAAP financial measures as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to the most comparable GAAP financial measure, annualized 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 total common shareholders' equity divided by the number of diluted common share outstanding, determined using the treasury stock method. Cash-settled restricted stock units are excluded.

Return on Average Common Equity

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

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

The increase in ROACE for the three months ended September 30, 2023March 31, 2024, compared to the three months ended September 30, 2022March 31, 2023, was primarily driven by underwriting an income a decrease in net investment losses, tax benefit, an increase in net investment income and an increase in interest in underwriting income, of equity method investments, partially offset by a decrease in foreign exchange gains income tax expense, and increases in reorganization expenses, average common shareholders' equity and corporate expenses.

The increase in ROACE for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, was primarily driven by a decrease in net investment losses, increase in underwriting income and net investment income, and a decrease partially offset by increases in average common shareholders' equity partially offset by a decrease in foreign exchange gains, income tax expense, and increases in corporate expenses and reorganization expenses.

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

The increase decrease in operating ROACE for the three months ended September 30, 2023March 31, 2024, compared to the three months ended September 30, 2022, was primarily driven by underwriting income, an increase in net investment income, partially offset by income tax expense and increases in average common shareholders' equity and corporate expenses.

The increase in operating ROACE for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022 March 31, 2023, was primarily driven by an increase in underwriting income and average common shareholders' equity, partially offset by an increase in net investment income and a decrease in average common shareholder's equity, partially offset by income tax expense and an increase in corporate expenses.

underwriting income.

77 67

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.

During the three months ended September 30, 2023 March 31, 2024, book value per diluted common share increased by 0.4% 5.7% due to net income for the period, partially offset by net unrealized investment losses reported in accumulated other comprehensive income (loss), and common dividends declared.

During the nine three months ended September 30, 2023 March 31, 2023, book value per diluted common share increased by 9% 7% due to net income for the period, and a decrease in net unrealized investment losses 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 and share repurchases. Accordingly, dividend policy is an integral part of the value we create for shareholders. Our cumulative strong earnings have permitted our Board of Directors to approve nineteen successive annual increases in has approved quarterly common share dividends. dividends for twenty-one consecutive years.

Book Value per Diluted Common Share Adjusted for Dividends

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

During the three months ended September 30, 2023 March 31, 2024, the increase in total value of $0.63, $3.51, or 1% 6%, was driven by net income for the period, partially offset by net unrealized investment losses recognized in accumulated other comprehensive income (loss).

During the nine three months ended September 30, 2023 March 31, 2023, the increase in total value of $5.54, $3.80, or 12% 8%, was driven by net income for the period.

During the three months ended September 30, 2022, the period, and a decrease in total value of $3.69, or 8%, was driven by net unrealized investment losses reported recognized in accumulated other comprehensive income (income), and the net loss generated.

During the nine months ended September 30, 2022, the decrease in total value of 10.99, or 20%, was driven by net unrealized losses reported in accumulated other comprehensive income (income), partially offset by the net income generated. (loss).

NON-GAAP FINANCIAL MEASURES RECONCILIATION

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Net income (loss) available (attributable) to common shareholders	**$ 180,535**	$ (16,947)	**$ 496,182**	$ 151,904
Net investment (gains) losses(1)	**53,114**	146,458	**97,671**	414,231
Foreign exchange gains(2)	**(50,570)**	(135,660)	**(11,755)**	(236,934)
Reorganization expenses(3)	**28,997**	6,213	**28,997**	21,941
Interest in (income) loss of equity method investments(4)	**(2,940)**	7,560	**(2,835)**	(5,040)

Income tax benefit		**(7,245)**		(5,117)		**(15,138)**		(14,779)
Operating income	**$**	**201,891**	$	2,507	**$**	**593,122**	$	331,323
Earnings (loss) per diluted common share	**$**	**2.10**	$	(0.20)	**$**	**5.77**	$	1.77
Net investment (gains) losses		**0.62**		1.72		**1.14**		4.83
Foreign exchange gains		**(0.59)**		(1.59)		**(0.14)**		(2.77)
Reorganization expenses		**0.34**		0.07		**0.34**		0.26
Interest in (income) loss of equity method investments		**(0.03)**		0.09		**(0.03)**		(0.06)
Income tax benefit		**(0.10)**		(0.06)		**(0.18)**		(0.17)
Operating income per diluted common share	**$**	**2.34**	$	0.03	**$**	**6.90**	$	3.86
Weighted average diluted common shares outstanding(5)		**86,108**		85,376		**85,927**		85,674
Average common shareholders' equity	**$**	**4,477,086**	$	3,973,027	**$**	**4,286,559**	$	4,327,040
Annualized return on average common equity		**16.1 %**		(1.7 %)		**15.4 %**		4.7 %
Annualized operating return on average common equity(6)		**18.0 %**		0.3 %		**18.4 %**		10.2 %

	Three months ended March 31,			
	2024		**2023**	
Net income available to common shareholders	**$**	**387,896**	$	172,534
Net investment (gains) losses		**9,207**		20,190
Foreign exchange losses (gains)		**(23,552)**		8,710
Reorganization expenses		**12,299**		—
Interest in (income) loss of equity method investments		**(1,169)**		2,205
Bermuda net deferred tax asset(1)		**(162,705)**		—
Income tax benefit(2)		**(1,814)**		(3,585)
Operating income	**$**	**220,162**	$	200,054
Earnings per diluted common share	**$**	**4.53**	$	2.01
Net investment (gains) losses		**0.11**		0.24
Foreign exchange losses (gains)		**(0.27)**		0.10
Reorganization expenses		**0.14**		—

Interest in (income) loss of equity method investments	**(0.01)**	0.03
Bermuda net deferred tax asset	**(1.90)**	—
Income tax benefit	**(0.03)**	(0.05)
Operating income per diluted common share	**$ 2.57**	$ 2.33
Weighted average diluted common shares outstanding(3)	**85,693**	85,853
Average common shareholders' equity	**$ 4,834,176**	$ 4,250,070
Annualized return on average common equity	**32.1 %**	16.2 %
Annualized operating return on average common equity(4)	**18.2 %**	18.8 %

(1) Net deferred tax benefit due to the recognition of deferred tax assets net of deferred tax liabilities related to a future Bermuda corporate income tax rate of 15%, pursuant to the Corporate Income Tax expense (benefit) of $(4,318) and $(608) for the three months ended September 30, 2023 and 2022, respectively, and $(8,198) and $(33,519) for the nine months ended September 30, 2023 and 2022, respectively. Tax impact is estimated by applying the statutory rates of applicable jurisdictions, after consideration of other relevant factors including the ability to utilize capital losses. Act 2023.

(2) Tax expense (benefit) of $2,318 and $(3,757) for associated with the three months ended September 30, 2023 and 2022, respectively, and $(1,695) and $21,191 for the nine months ended September 30, 2023 and 2022, respectively. Tax impact is estimated by applying the statutory rates of applicable jurisdictions, after consideration of other relevant factors including the tax status of specific foreign exchange transactions.

(3) Tax expense (benefit) of $(5,245) and $(752) for the three months ended September 30, 2023 and 2022, respectively, and $(5,245) and $(2,451) for the nine months ended September 30, 2023 and 2022, respectively. adjustments to net income (loss) available (attributable) to common shareholders. Tax impact is estimated by applying the statutory rates of applicable jurisdictions.

(4) Tax expense (benefit) of $nil for the three and nine months ended September 30, 2023 and 2022, respectively. Tax impact is estimated by applying the statutory rates of applicable jurisdictions.

(5) (3) Refer to Item 1, Note 7 to our Consolidated Financial Statements '*Earnings per Common Share'* for further details.

(6) (4) Annualized operating ROACE is a non-GAAP financial measures as defined in Item 10(e) of SEC Regulation S-K. The reconciliation to the most comparable GAAP financial measure, annualized ROACE, is presented above, and a discussion of the rationale for its presentation is provided below.

Rationale for the Use of Non-GAAP Financial Measures

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

Underwriting-Related General and Administrative Expenses

Underwriting-related general and administrative expenses include those general and administrative expenses that are incremental and/or directly attributable to our underwriting operations. While this measure is presented in Item 1, Note 2 to the Consolidated Financial Statements *'Segment Information'*, it is considered a non-GAAP financial measure when presented elsewhere on a consolidated basis.

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

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

Consolidated Underwriting Income (Loss)

Consolidated underwriting income (loss) is a pre-tax measure of underwriting profitability that takes into account net premiums earned and other insurance related income (loss) as revenues and net losses and loss expenses, acquisition costs and underwriting-related general and administrative expenses as expenses. While this measure is presented in Item 1, Note 2 to the Consolidated Financial Statements *'Segment Information'*, it is considered a non-GAAP financial measure when presented elsewhere on a consolidated basis.

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

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

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

Reorganization expenses in 2023 include impairments of computer software assets and 2024 primarily relate to severance costs associated with the departures of certain employees mainly attributable to our "How We Work" program which focuses is focused on simplifying our operating structure. Reorganization expenses in 2022 included severance costs and impairments of computer software assets mainly attributable to our exit from catastrophe and property reinsurance lines of business which was part of an overall approach to reduce our exposure to volatile catastrophe risk. Reorganization expenses are primarily driven by business decisions, the nature and timing of which are not related to the underwriting process. Therefore, these expenses are excluded from consolidated underwriting income (loss).

Amortization of intangible assets 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*'.

<u>*Operating Income (Loss)*</u>

Operating income (loss) represents after-tax operational results exclusive of net investment gains (losses), foreign exchange losses (gains), reorganization expenses, and interest in income (loss) of equity method investments. investments and Bermuda net 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 2023 include impairments of computer software assets and 2024 primarily relate to severance costs associated with the departures of certain employees mainly attributable to our "How We Work" program which focuses is focused on simplifying our operating structure. Reorganization expenses in 2022 included severance costs and impairments of computer software assets mainly attributable to our exit from catastrophe and property reinsurance lines of business which was part of an overall approach to reduce our exposure to volatile catastrophe risk. Reorganization expenses are primarily driven by business decisions, the nature and timing of which are not related to the underwriting process. Therefore, these expenses are excluded from consolidated 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 net deferred tax asset is due to the recognition of deferred tax assets net of deferred tax liabilities related to a future Bermuda corporate income tax rate of 15%, pursuant to the Corporate Income Tax Act 2023 effective for fiscal years beginning on or after January 1, 2025. The Bermuda net deferred tax asset is 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, and interest in income (loss) of equity method investments and Bermuda net deferred tax asset in order to understand the profitability of recurring sources of income.

81 71

We believe that showing net income (loss) available (attributable) to common shareholders exclusive of after-tax net investment gains (losses), foreign exchange losses (gains), reorganization expenses, and interest in income (loss) of equity method investments and Bermuda net 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 annualized 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 annualized 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, net premiums written and net premiums earned on a GAAP basis is presented in '*Management's Discussion and Analysis of Financial Condition and Results of Operations – Results by Segment*'.

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

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

82 72

CASH AND INVESTMENTS

Details of cash and investments are as follows:

	September 30, 2023		December 31, 2022	
	Fair Value		Fair Value	
Fixed maturities, available for sale	**$**	**11,723,368**	$	11,326,894
Fixed maturities, held to maturity(1)		**696,639**		674,743
Equity securities		**556,262**		485,253
Mortgage loans		**610,277**		627,437
Other investments		**954,571**		996,751
Equity method investments		**162,412**		148,288
Short-term investments		**115,959**		70,310
Total investments	**$**	**14,819,488**	$	14,329,676
Cash and cash equivalents(2)	**$**	**1,267,315**	$	1,174,653

	March 31, 2024		December 31, 2023	
	Fair Value		Fair Value	
Fixed maturities, available for sale	**$**	**12,269,310**	$	12,234,742
Fixed maturities, held to maturity(1)		**683,726**		675,851

Equity securities	**582,178**	588,511
Mortgage loans	**609,704**	610,148
Other investments	**934,724**	949,413
Equity method investments	**182,594**	174,634
Short-term investments	**75,879**	17,216
Total investments	**$ 15,338,115**	$ 15,250,515
Cash and cash equivalents(2)	**$ 1,841,574**	**$ 1,383,985**

(1) Presented at net carrying value of $713 million (2022 $693 million (2023: $698 million $686 million) in the consolidated balance sheets.

(2) Includes restricted cash and cash equivalents of $378 million $698 million and $423 million $431 million at September 30, 2023 March 31, 2024 and at December 31, 2022 December 31, 2023, respectively.

Overview

The fair value of total investments increased by $490 million $88 million in the nine three months ended September 30, 2023 March 31, 2024, driven by the reinvestment of interest income and cashflows from operations.

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

Fixed Maturities

Details of our fixed maturities portfolio are as follows:

	September 30, 2023		December 31, 2022	
	Fair Value	% of Total	Fair Value	% of Total
Fixed maturities:				
U.S. government and agency	**$ 2,860,633**	**23 %**	$ 2,639,330	22 %
Non-U.S. government	**670,255**	**5 %**	562,029	5 %
Corporate debt	**4,307,284**	**36 %**	4,329,328	36 %

Agency RMBS	**1,541,505**	**12 %**	1,202,785	10 %
CMBS	**865,051**	**7 %**	947,778	8 %
Non-agency RMBS	**137,804**	**1 %**	133,534	1 %
ABS	**1,886,086**	**15 %**	2,030,498	17 %
Municipals(1)	**151,389**	**1 %**	156,355	1 %
Total	**$ 12,420,007**	**100 %**	$ 12,001,637	100 %
Credit ratings:				
U.S. government and agency	**$ 2,860,633**	**23 %**	$ 2,639,330	22 %
AAA(2)	**2,784,990**	**22 %**	4,189,661	36 %
AA(2)	**2,533,358**	**21 %**	871,966	7 %
A	**1,875,948**	**15 %**	1,835,746	15 %
BBB	**1,327,344**	**11 %**	1,377,638	11 %
Below BBB(3)	**1,037,734**	**8 %**	1,087,296	9 %
Total	**$ 12,420,007**	**100 %**	$ 12,001,637	100 %

	March 31, 2024		**December 31, 2023**	
	Fair Value	**% of Total**	**Fair Value**	**% of Total**
Fixed maturities:				
U.S. government and agency	**$ 2,593,717**	**20 %**	$ 3,007,528	23 %
Non-U.S. government	**738,198**	**6 %**	723,959	6 %
Corporate debt	**5,006,972**	**39 %**	4,560,843	35 %
Agency RMBS	**1,585,620**	**12 %**	1,634,661	13 %
CMBS	**820,393**	**6 %**	839,696	7 %
Non-agency RMBS	**139,992**	**1 %**	153,396	1 %
ABS	**1,910,597**	**15 %**	1,832,151	14 %
Municipals(1)	**157,547**	**1 %**	158,359	1 %
Total	**$ 12,953,036**	**100 %**	$ 12,910,593	100 %
Credit ratings:				
U.S. government and agency	**$ 2,593,717**	**20 %**	$ 3,007,528	23 %
AAA(2)	**2,810,599**	**22 %**	2,745,192	21 %
AA	**2,641,746**	**20 %**	2,646,798	21 %

A	**2,081,113**	**16 %**	2,044,683	16 %
BBB	**1,497,935**	**12 %**	1,416,552	11 %
Below BBB(3)	**1,327,926**	**10 %**	1,049,840	8 %
Total	**$ 12,953,036**	**100 %**	$ 12,910,593	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") and reflect the downgrade of the U.S. government on August 1, 2023.

(3) Non-investment grade and non-rated securities.

At September 30, 2023 March 31, 2024, fixed maturities had a weighted average credit rating of AA- (2022: A+ (2023: AA-), a book yield of 4.1% 4.3% (2022: 3.5% (2023: 4.2%), and an average duration of 3.0 years (2022: (2023: 3.0 years). At September 30, 2023 March 31, 2024, fixed maturities together with short-term investments and cash and cash equivalents (i.e. total investments of $13.8 billion), $14.9 billion) had an average credit rating of AA- (2022: (2023: AA-) and an average duration of 2.8 years (2022: 2.8 (2023: 2.7 years).

At September 30, 2023 March 31, 2024, net unrealized losses on fixed maturities were $864 million $445 million, compared to net unrealized losses of $850 million $400 million at December 31, 2022 December 31, 2023, an increase of $14 million $45 million due to a decline in market values, partially offset by a realization of realized losses associated with sales in the period.

Equity Securities

At September 30, 2023 March 31, 2024, net unrealized losses gains on equity securities were $5 million $37 million, compared to $9 million $45 million at December 31, 2022 December 31, 2023, a decrease of $4 million $8 million driven by realized gains associated with sales in the decline in market value of bond mutual funds. period.

Mortgage Loans

At September 30, 2023 March 31, 2024, our investment in commercial mortgage loans was $610 million, compared to $627 million $610 million at December 31, 2022, a decrease of $17 million December 31, 2023. The commercial mortgage loans are high quality, first lien and are collateralized by a variety of commercial properties which are and diversified geographically throughout the U.S. and by property type to reduce the risk of concentration. At September 30, 2023 March 31, 2024, there are two three collateral dependent loans with estimated loan-to-value ratios in excess of 100%, resulting in an allowance for credit losses of $4 million $8 million.

Other Investments

Details of our other investments portfolio are as follows:

	September 30, 2023		December 31, 2022	
	Fair Value	% of Total	Fair Value	% of Total
Hedge funds				
Multi-strategy funds	**$ 25,465**	**3 %**	$ 32,616	3 %
Total hedge funds	**25,465**	**3 %**	32,616	3 %
Direct lending funds	**229,235**	**24 %**	258,626	26 %
Private equity funds	**283,838**	**30 %**	265,836	27 %
Real estate funds	**307,177**	**32 %**	298,499	30 %
Total hedge, direct lending, private equity and real estate funds	**845,715**	**89 %**	855,577	86 %
CLO-Equities	**4,684**	**— %**	5,016	— %
Other privately held investments	**104,172**	**11 %**	136,158	14 %
Total other investments	**$ 954,571**	**100 %**	$ 996,751	100 %

	March 31, 2024		December 31, 2023	
	Fair Value	% of Total	Fair Value	% of Total
Multi-strategy funds	**$ 24,950**	**3 %**	$ 24,619	3 %
Direct lending funds	**168,987**	**18 %**	192,270	20 %
Private equity funds	**309,399**	**33 %**	301,712	32 %
Real estate funds	**309,545**	**33 %**	317,325	33 %
Total multi-strategy, direct lending, private equity and real estate funds	**812,881**	**87 %**	835,926	88 %
CLO-Equities	**4,986**	**— %**	5,300	1 %
Other privately held investments	**116,857**	**13 %**	108,187	11 %
Total other investments	**$ 934,724**	**100 %**	$ 949,413	100 %

Refer to Note 3(e) to the Consolidated Financial Statements '*Investments*'.

Equity Method Investments

Our ownership interest interests in Harrington is Reinsurance Holdings Limited ("Harrington") and Monarch Point Re (ISAC) Ltd., Monarch Point Re (ISA 2023) Ltd. and Monarch Point Re (ISA 2024) Ltd. (individually or collectively "Monarch Point Re") are reported in interest in income (loss) of equity method investments.

Interest in income (loss) of equity method investments of $3 million was $1 million for the three months ended September 30, 2023 March 31, 2024, compared to $(8) $(2) million for the three months ended September 30, 2022, an increase of $11 million March 31, 2023 attributable to investment gains and underwriting income realized by Harrington in the current year compared to investment losses and an underwriting loss realized by Harrington in the prior year.

Interest in income (loss) of equity method investments of $3 million, for the nine months ended September 30, 2023, compared to $5 million for the nine months ended September 30, 2022, a decrease of $2 million attributable to higher underwriting losses, partially offset by higher investment income realized by Harrington in the current year compared to prior year. these ownership interests.

85 75

LIQUIDITY AND CAPITAL RESOURCES

Refer to the '*Liquidity and Capital Resources*' section included in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 for a general discussion of liquidity and capital resources.

The following table summarizes consolidated capital:

	September 30, 2023	December 31, 2022
Debt	**$ 1,313,358**	$ 1,312,314
Preferred shares	**550,000**	550,000
Common equity	**4,483,208**	4,089,910

Shareholders’ equity	**5,033,208**	4,639,910
Total capital	**$ 6,346,566**	$ 5,952,224
Ratio of debt to total capital	**20.7 %**	22.0 %

	March 31, 2024	**December 31, 2023**
Debt	**$ 1,314,074**	$ 1,313,714
Preferred shares	**550,000**	550,000
Common equity	**4,955,155**	4,713,196
Shareholders’ equity	**5,505,155**	5,263,196
Total capital	**$ 6,819,229**	$ 6,576,910
Ratio of debt to total capital	**19.3 %**	20.0 %

We finance operations with a combination of debt and equity capital. The debt to total capital ratio provides an indication of our capital structure, along with some insight into our financial strength. While the impact of unrealized investment losses recognized in accumulated other comprehensive income (loss), following a decrease in market value of our fixed maturities in 2022, has reduced common shareholders' equity, we We believe that our financial flexibility remains strong, and adjustments are will be made if there are developments that differ from previous our expectations.

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").

At September 30, 2023 March 31, 2024, the Company had $86 million of borrowings under the FHLB program, with maturities in 2024 and 2025 and interest payable at interest rates between 5.5% 5.6% and 5.7%. The Company incurred interest expense of $1 million and $3 million for the three and nine months ended September 30, 2023, March 31, 2024 and $0.6 million for the three and nine months ended September 30, 2022. 2023, respectively. The borrowings under the FHLB program are secured by investments with a fair value of $90 million.

Line of credit

On March 31, 2023 March 26, 2024, the $150 million secured letter of credit facility expired as we determined that the $500 million Facility was amended to reduce the committed utilization capacity available under the Facility to $300 million, enter into an uncommitted secured letter credit facility with Citibank Europe plc, and extend the tenors of issuable letters of credit facility would be sufficient to meet future obligations.

March 31, 2026 and make certain updates to the facility's collateral and fee arrangements.

Common Equity

During the nine three months ended September 30, 2023 March 31, 2024, common equity increased by $393 242 million. The following table reconciles opening and closing common equity positions:

Nine Three months ended September 30, March 31,	2023 2024
Common equity - opening	**$ 4,089,910 4,713,196**
Share-based compensation expense	43,000 11,426
Change in unrealized gains (losses) on available for sale investments, net of tax	(10,837) (37,062)
Foreign currency translation adjustment	(4,302) (8,951)
Net income	Net income (loss) 395,459 518,870
Preferred share dividends	(22,688) (7,563)
Common share dividends	(115,025) (37,866)
Treasury shares repurchased	(17,424) (75,728)
Treasury shares reissued	1,704 2,244
Common equity - closing	**$ 4,483,208 4,955,155**

During the nine three months ended September 30, 2023 March 31, 2024, we repurchased 289,000 1.3 million common shares for a total of $76 million, including $62 million repurchased pursuant to our Board-authorized share repurchase program and $14 million from employees to facilitate the satisfaction of their satisfy personal withholding tax liabilities that arise on the vesting of share-settled restricted stock units granted under our 2017 Long-Term Equity Compensation Plan Plan.

During April 2024, we repurchased 40,000 common shares for a total cost of $17 million.

$2 million pursuant to our Board-authorized share repurchase program. At November 1, 2023 April 26, 2024, we had $100 million $36 million of remaining authorization under our Board-authorized share repurchase program for common share repurchases through December 31, 2023 December 31, 2024 (refer to Part II, Item 2 '*Unregistered Sales of Equity Securities and Use of Proceeds*' for further details).

We expect cash flows generated from operations, combined with liquidity provided by our investment portfolio, will be sufficient to cover cash outflows and other contractual commitments through the foreseeable future.

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 in order to determine the reported values. We consider an accounting estimate to be critical if: (1) it requires that significant assumptions be made in order 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 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 expected credit losses associated with fixed maturities, available for sale.

We believe that the critical accounting estimates discussion in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, continues to describe the significant estimates and judgments included in the preparation of the consolidated financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS

At September 30, 2023 March 31, 2024, 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 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Refer to Item 7A included in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023. There have been no material changes to this item since December 31, 2022 December 31, 2023, with the exception of the changes in exposure to foreign currency risk presented below.

Foreign Currency Risk

The table below provides a sensitivity analysis of total net foreign currency exposures:

	AUD	CAD	EUR	GBP	JPY	Other	Total
At September 30, 2023							
Net managed assets (liabilities), excluding derivatives	$ 21,577	$ 390,916	$ (346,971)	$ (105,713)	$ (26,180)	$ 106,849	$ 40,478
Foreign currency derivatives, net	8,373	(376,892)	336,471	165,507	26,739	(94,294)	65,904
Net managed foreign currency exposure	29,950	14,024	(10,500)	59,794	559	12,555	106,382
Other net foreign currency exposure	—	159	(225)	(549)	—	—	(615)
Total net foreign currency exposure	$ 29,950	$ 14,183	$ (10,725)	$ 59,245	$ 559	$ 12,555	$ 105,767
Net foreign currency exposure as a percentage of total shareholders' equity	0.6 %	0.3 %	(0.2 %)	1.2 %	— %	0.2 %	2.1 %

Pre-tax impact of net foreign currency exposure on shareholders' equity given a hypothetical 10% rate movement(1)	$ 2,995	$ 1,418	$ (1,073)	$ 5,925	$ 56	$ 1,256	$ 10,577

	AUD	CAD	EUR	GBP	JPY	Other	Total
At March 31, 2024							
Net managed assets (liabilities), excluding derivatives	$ 73,505	$ 436,321	$ (287,374)	$ (32,939)	$ (35,413)	$ 84,830	$ 238,930
Foreign currency derivatives, net	(60,972)	(441,220)	304,779	(49,722)	38,825	(119,632)	(327,942)
Net managed foreign currency exposure	12,533	(4,899)	17,405	(82,661)	3,412	(34,802)	(89,012)
Other net foreign currency exposure	—	185	(136)	237	—	—	286
Total net foreign currency exposure	$ 12,533	$ (4,714)	$ 17,269	$ (82,424)	$ 3,412	$ (34,802)	$ (88,726)
Net foreign currency exposure as a percentage of total shareholders' equity	0.2 %	(0.1 %)	0.3 %	(1.5 %)	0.1 %	(0.6 %)	(1.6 %)
Pre-tax impact of net foreign currency exposure on shareholders' equity given a hypothetical 10% rate movement(1)	$ 1,253	$ (471)	$ 1,727	$ (8,242)	$ 341	$ (3,480)	$ (8,873)

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

Total Net Foreign Currency Exposure

At September 30, 2023 March 31, 2024, total net foreign currency assets liabilities were $106 million $89 million primarily driven by exposures to the pound sterling, Australian dollar, Canadian dollar, and other non-core currencies primarily the Indian rupee. rupee, Swiss Franc, Brazilian Real, and Canadian dollar. During the nine three months ended September 30, 2023 March 31, 2024, the change in total net foreign currency exposure was primarily due to new business written in the period.

ITEM 4. 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 September 30, 2023 March 31, 2024. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, at September 30, 2023 March 31, 2024, 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 disclosure.

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 September 30, 2023 March 31, 2024.

Based upon that evaluation, there were no changes in the Company's internal control over financial reporting that occurred during the three months ended September 30, 2023 March 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. 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 our insurance or reinsurance operations. Estimated amounts payable related to these proceedings are included in the reserve for losses and loss expenses in the Company's financial statements. our consolidated balance sheets.

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

ITEM 1A. RISK FACTORS

There were no material changes from the risk factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table shows information regarding the number of common shares repurchased in the quarter ended September 30, 2023 March 31, 2024:

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 announced programs (c)
July 1-31, 2023	3	$53.45	—	$100 million
August 1-31, 2023	—	—	—	$100 million
September 1-30, 2023	4	$55.82	—	$100 million
Total	**7**		**—**	**$100 million**

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 announced programs (c)
January 1-31, 2024	3	$55.37	48	$97 million
February 1-29, 2024	6	$57.16	848	$48 million
March 1-31, 2024	224	$60.86	152	$38 million
Total	**233**		**1,048**	**$38 million**

(a) In thousands.

(b) Includes shares repurchased from employees to facilitate the satisfaction of their satisfy personal withholding tax liabilities that arise on the vesting of share-settled restricted stock units.

(c) On December 8, 2022 December 7, 2023, our Board of Directors authorized a share repurchase program for up to $100 million of our common shares, effective January 1, 2023 January 1, 2024 through to December 31, 2023 December 31, 2024. Share repurchases may be effected from time to time in the open market or privately negotiated transactions, depending on market conditions.

ITEM 5. 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 quarter ended September 30, 2023 March 31, 2024, 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 September 30, 2023 March 31, 2024, 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.

90 80

ITEM 6. EXHIBITS

2.1 Rule 2.7 Announcement, dated July 5, 2017 in connection with acquisition of Novae Group plc (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on July 6, 2017).

2.2 Rule 2.7 Announcement, dated August 24, 2017 in connection with acquisition of Novae Group plc (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on August 25, 2017).

3.1 Certificate of Incorporation and Memorandum of Association (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 (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 Certificate of Designations establishing the specific rights, preferences, limitations and other terms of the 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).

*10.1 Amendment No. 3 to Employment and Restatement Agreement dated October 6, 2023 March 26, 2024, by and between Peter Vogt and among AXIS Specialty U.S. Services, Inc. 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 October 10, 2023 March 28, 2024).

*†10.2 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).

10.2 10.3 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).

10.4 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).

*10.5 Amended and Restated Long-Term Equity Compensation Program effective February 2024 (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K filed on February 27, 2024).

*10.6 Amended and Restated Executive RSU Retirement Plan. 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).

*10.7 Form of Employee Restricted Stock Unit Award Agreement (Three Year - Performance Vesting based on relative total shareholder return and absolute diluted book value per share) (incorporated by reference to Exhibit 10.39 to the Company's Annual Report on Form 10-K filed on February 27, 2024).

*†10.8 Form of Employee Restricted Stock Unit Award Agreement.

†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.

†101 The following financial information from AXIS Capital Holdings Limited’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 March 31, 2024 formatted in Inline XBRL: (i) Consolidated Balance Sheets at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023; (ii) Consolidated Statements of Operations for the three and nine months ended September 30, 2023 March 31, 2024 and 2022; 2023; (iii) Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2023 March 31, 2024 and 2022; 2023; (iv) Consolidated Statements of Changes in Shareholders' Equity for the nine three months ended September 30, 2023 March 31, 2024 and 2022; 2023; (v) Consolidated Statements of Cash Flows for the nine three months ended September 30, 2023 March 31, 2024 and 2022; 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).

* Exhibit 10.1 represents a management Management contract, compensatory plan or arrangement in which directors and/or executive officers are eligible to participate. 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.

SIGNATURES

Pursuant to the requirements 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.

Dated: November 1, 2023 May 1, 2024

AXIS CAPITAL HOLDINGS LIMITED

By: /S/ VINCENT TIZZIO

Vincent Tizzio

President and Chief Executive Officer

(Principal Executive Officer)

/S/ PETER VOGT

Peter Vogt

Chief Financial Officer

(Principal Financial Officer)

AXIS AMENDED AND RESTATED EXECUTIVE RSU RETIREMENT PLAN

AXIS Specialty U.S. Services, Inc. (the “Company”) has established the AXIS Executive RSU Retirement Plan (the “Plan”) to reward certain long-term employees of the Company and its employer affiliates for their dedicated service. The terms of the Plan are as set forth herein.

1. Eligibility. Except as otherwise provided in the Plan, any employee of the Company or its employer affiliates (other than those employees explicitly excluded from the Plan pursuant to Section 18 hereof) who is Retirement Eligible and who has an outstanding grant(s) of restricted stock units under the AXIS Capital Holdings Limited (“AXIS”) 2017 Long-Term Equity Compensation Plan and any successor equity compensation plan (the “Stock Plan”) as of the employee’s date of termination and who satisfies the requirements of this Plan shall be a participant in the Plan (a “Participant”).

   An employee is “Retirement Eligible” if the employee is age 60 or older as of his or her date of termination; *and*

   has at least ten Years of Service as of his or her date of termination.

   - “Years of Service” means completed years of service with the Company or an employer affiliate of the Company.

2. Termination and Advance Notice Requirement. In order to earn and be paid the benefits provided under this Plan, a Participant: (i) must not have been provided a notice of termination from the Company for any reason, (ii) must be in good standing as of his or her date of termination (as determined by the Human Capital and Compensation Committee of the Board of AXIS (the “Committee”) in its sole discretion) and (iii) must provide not less than ninety (90) days advance notice of his or her termination if he or she voluntarily terminates employment, provided, however, that management retains discretion to require a period of notice up to one year as particular employment circumstances may dictate.

3. Restrictive Covenant Agreement. In order to earn and be paid the benefits provided under this Plan, to the extent permitted by law, a Participant must execute a Restrictive Covenant Agreement in a form acceptable to the Company (a “Covenant Agreement”) at the time required by the Company. The Company reserves the right to require a Participant to attest to continued compliance with the Covenant Agreement from time to time. Failure to do so will be deemed to be a breach of the Covenant Agreement.

4. Plan Benefit.

a. A Participant shall, except as provided below in Section 4(b), continue to vest in any restricted stock units granted pursuant to RSU Agreements that remain outstanding and unvested as of the date of his or her termination as though the Participant had not terminated employment with the Company (e.g., on the first, second, third and fourth anniversaries of the award date for time-based restricted stock units; on the third anniversary of the award date for performance-based restricted stock units; or as otherwise provided in the applicable RSU Agreement); provided that such vesting shall terminate if the Participant breaches any of the terms of the Covenant Agreement, in the determination of the Committee or its designee, to the extent permitted by law and all unvested restricted stock units shall terminate and be forfeited as of the date of the breach.

b. Notwithstanding Section 4(a), (1) with respect to any restricted stock units subject to time-based vesting granted in the twelve month period immediately prior to the Participant's termination (the "Last Grant"), only the restricted stock units scheduled to vest on the first anniversary of such Last Grant, if any, shall be eligible to vest and the remaining restricted stock units shall be forfeited as of the Participant's termination and (2) with respect to any restricted stock units subject to performance-based vesting granted in the Last Grant, only 25% of the restricted stock units scheduled to vest on the regularly scheduled vesting date

shall be eligible to vest, subject to performance goals being achieved, and 75% of such restricted stock units shall be forfeited as of the Participant's termination.

c. In the case of any restricted stock units subject to performance vesting, where the restricted stock units vest on the regularly scheduled vesting date as though the Participant had not terminated employment, the number of restricted stock units that vest shall be determined by applying the same Performance Multiplier (as defined in the applicable RSU Agreement) that would apply had the Participant not terminated employment.

d. Notwithstanding the foregoing, the Committee shall have the sole authority to determine that no benefit shall be provided under this Plan in connection with certain outstanding restricted stock unit grants made to Participants.

5. Payment. Payment of the Shares (as defined in the Employee Restricted Stock Unit Agreement pursuant to which the outstanding restricted stock units were granted (the "RSU Agreement")) payable with respect to outstanding restricted stock units which vest pursuant to Section 4 hereof on or after a Participant's termination of employment, shall be made as follows:

a. Subject to Section 12 hereof, payment shall be made at the same time and in the same form delivery would have been made under the RSU Agreement if the Participant had remained employed through the applicable vesting date (e.g., the first, second, third and fourth anniversaries of the award date for time-based restricted stock units; the third anniversary of the award date for performance-based restricted stock units; or as otherwise provided in the applicable RSU Agreement).

b. Notwithstanding the foregoing, in the event that a Participant dies or becomes Disabled (as defined in the applicable RSU Agreement) prior to delivery of the amounts described in Section 5(a) or 6(c), payment shall be made to the Participant or his or her beneficiary in a lump sum upon the earlier of the date provided in Section 5(a) or 6(c), as applicable, or within sixty (60) days following the Participant's death or Disability, as applicable. In the case of any restricted stock units subject to performance vesting, the determination of the number of restricted stock units with respect to which payment will be made pursuant to this Section 5(b) shall be determined as described in the applicable award agreement. .

6. Special Vesting and Payment Rule for Terminations that Occur Within Twenty Four Months of a Change in Control.

a. Notwithstanding any provision of Section 4 to the contrary, if the Participant's termination occurs within twenty four months following a Change in Control (as defined in the RSU Agreement), a Participant shall vest in any outstanding and unvested restricted stock units granted pursuant to RSU Agreements as of his or her termination, reduced as required pursuant to Section 4(b).

b. Where performance-based restricted stock units vest on the date of a Participant's termination of employment within twenty four months following a Change in Control, the number of restricted stock units that vest shall be determined as described in the applicable award agreement.

c. Notwithstanding any provision of Section 5 to the contrary, if vesting occurs in connection with a termination that is within twenty four months following a Change in Control, payment shall be made at the same time and same form as delivery would have been made under the RSU Agreement had the Participant been terminated without Cause within twenty four months following a Change in Control, but in no event later than thirty (30) days following termination, subject to Section 12 hereof.

---

7. Termination Prior to Retirement Eligibility. If an employee's employment with the Company and its employer affiliates terminates prior to the date that the employee becomes Retirement Eligible for any reason, such employee shall have no right to participate in or receive benefits under the Plan.

8. RSU Agreement. The applicable RSU Agreement shall govern the outstanding restricted stock units to the extent the RSU Agreement is not inconsistent with the Plan.

9. Beneficiary. To the extent not inconsistent with the Stock Plan, in the event of a Participant's death, payment of the Participant's Plan benefit, if any, shall be made to a beneficiary (or beneficiaries) designated by the Participant in the form and manner prescribed by the Committee. If a Participant does not have a properly designated beneficiary, payment shall be made to the Participant's estate.

10. Clawback. Any Plan benefit hereunder is subject to recoupment, at the Committee's discretion, under the AXIS executive compensation recoupment, or "clawback," policy.

11. Administration and Interpretation of Plan. The Committee, in consultation with AXIS management, shall have the authority to administer the Plan, to conclusively make all determinations under the Plan and to interpret the Plan. Any such determinations or interpretations made by the Committee shall be binding on all persons.

12. Section 409A.

a. Although the Company does not guarantee the tax treatment of any payments under the Plan, the intent of the Company is that the payments and benefits under this Plan comply with Section 409A of the Internal Revenue Code of 1986, as amended, and all Treasury Regulations and guidance promulgated thereunder ("Code Section 409A") and to the maximum extent permitted the Plan shall be limited, construed and interpreted in accordance with such intent. In no event whatsoever shall the Committee, the Company or its affiliates or their respective officers, directors, employees or agents be liable for any additional tax, interest or penalties that may be imposed on a Participant by Code Section 409A or damages for failing to comply with Code Section 409A.

b. Notwithstanding any other provision of this Plan to the contrary, if at the time of a Participant's separation from service (as defined in Code Section 409A), the Participant is a "Specified Employee", then the Company will defer the payment or commencement of any nonqualified deferred compensation subject to Code Section 409A payable upon separation from service (without any reduction in such payments or benefits ultimately paid or provided to the Participant) until the date that is six (6) months following separation from service or, if earlier, the earliest other date as is permitted under Code Section 409A (and any amounts that otherwise would have been paid during this deferral period will be paid in a lump sum on the day after the expiration of the six (6) month period or such shorter period, if applicable). The Company shall determine in its sole discretion all matters relating to who is a "Specified Employee" and the application of such determination.

c. Notwithstanding anything in this Plan or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Plan providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Code Section 409A upon or following a termination of the Participant's employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Plan, references to a "termination," "termination of employment" or like terms shall mean "separation from service" and the date of such separation from service shall be the date of termination for purposes of any such payment or benefits.

13. Governing Law. The Plan shall be governed by the laws of New York without regard to its conflicts of law provisions.

14. Effective Date. The Plan shall continue until terminated by the Company.

15. No Guarantee of Continued Employment. Nothing in the Plan shall interfere with, or limit in any way, the right of the Company or any of its affiliates to terminate any Participant's employment at any time, nor shall it confer upon any Participant any right to continue in the employ of the Company or any of its affiliates. For purposes of the Plan, temporary absence from employment because of illness, vacation, approved leaves of absence and transfers of employment among the Company and its affiliates shall not be considered to terminate a Participant's employment unless such treatment would cause a violation of Code Section 409A.

16. Successors. All obligations of the Company under the Plan shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Company or otherwise.

17. No Claim Against Assets. Nothing in this Plan shall be construed as giving any Participant or his or her legal representative, or designated beneficiary, any claim against any specific assets of the Company or as imposing any trustee relationship upon the Company in respect of the Participant. The Company shall not be required to segregate any assets in order to provide for the satisfaction of the obligations hereunder. If and to the extent that the Participant or his or her legal representative or designated beneficiary acquires a right to receive any payment pursuant to this Plan, such right shall be no greater than the right of an unsecured general creditor of the Company.

18. Employees of AXIS Capital Holdings Limited. Unless determined otherwise by the Committee, in no event shall any employee (i) who is a United States resident or citizen whose compensation is allocated to AXIS and/or (ii) whose benefit under the Plan would be subject to Section 457A of the Internal Revenue Code, be a Participant in the Plan.

Also, absent Committee approval, employees of non-wholly owned subsidiaries of AXIS will not be eligible to participate in the Plan.

19. ERISA. This Plan is intended to be a bonus program exempt from the Employee Retirement Income Security Act of 1974, as amended, pursuant to DOL Regulation Section 2510.3-2(c).

20. Amendment and Termination. This Plan may be amended or terminated at any time by the Company without the consent of any employee or Participant to the extent permitted by law.

Exhibit 31.1

CERTIFICATION
AXIS Capital Holdings Limited
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Vincent Tizzio, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AXIS Capital Holdings Limited for the period ended September 30, 2023 March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/S/ VINCENT TIZZIO

Date: November May 1, 2023 2024

Vincent Tizzio
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION
AXIS Capital Holdings Limited
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Peter Vogt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AXIS Capital Holdings Limited for the period ended September 30, 2023 March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

	/S/ PETER VOGT
Date: November May 1, 2023 2024	Peter Vogt Chief Financial Officer

Exhibit 32.1

AXIS CAPITAL HOLDINGS LIMITED
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of AXIS Capital Holdings Limited (the “Company”) for the quarterly period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Vincent Tizzio, Chief Executive Officer of the Company, hereby certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November May 1, 2023 2024	/S/ VINCENT TIZZIO
	Vincent Tizzio President and Chief Executive Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities

Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

/div>

Exhibit 32.2

AXIS CAPITAL HOLDINGS LIMITED
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of AXIS Capital Holdings Limited (the “Company”) for the quarterly period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Peter Vogt, Chief Financial Officer of the Company, hereby certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November May 1, 2023 2024

/S/ PETER VOGT

Peter Vogt
Chief Financial Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

v>

AXIS Capital Holdings Limited

2017 Long-Term Equity Compensation Plan

Employee Restricted Stock Unit Agreement (Time Vesting / 100% Stock Settled)

You (the "Participant") have been granted an award of Restricted Stock Units (the "Award") with a value based on ordinary shares, par value $0.0125 per share ("Shares"), of AXIS Capital Holdings Limited, a Bermuda company (the "Company"), pursuant to the AXIS Capital Holdings Limited 2017 Long-Term Equity Compensation Plan (the "Plan"). The date of grant of the Award (the "Award Date"), the vesting start date (the "Vesting Start Date") and the number of Restricted Stock Unitssubject to the Award (the "Award Units") are as set forth in your restricted stock unit account maintained on the Morgan Stanley Benefit Access website or such other website as may be designated by the Compensation Committee of the Board of Directors of AXIS Capital Holdings Limited (the "Committee"). This Award constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered to you) on the terms and conditions set forth herein the Award Units.

By your acceptance of the grant of the Award on the Morgan Stanley Benefit Access website, you agree that the Award is granted under and governed by the terms and conditions of the Plan and this Restricted Stock Unit Agreement (the "Agreement").

1. GRANT OF RESTRICTED STOCK UNITS.

(a) Award. On the terms and conditions set forth in this Agreement, the Company hereby grants to the Participant on the Award Date the Award.

(b) Plan and Defined Terms. The Award is granted pursuant to the Plan, a copy of which the Participant acknowledges having received. The terms and provisions of the Plan are incorporated into this Agreement by this reference. All capitalized terms that are used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.

2. PERIOD OF RESTRICTION.

(i) The Restricted Stock Units subject to the Award shall be restricted during the period (the "Period of Restriction") commencing on the Award Date and expiring on the first to occur of:

(a) The vesting of the Award Units. The Award Units shall vest in three equal installments on the first, second and third anniversary of the Vesting Start Date (the "Anniversary Dates"); provided, that if the Award Units are not evenly devisable by three, then no fractional units shall vest or be exercised and the installments shall be as equal as possible with any smaller installments vesting first;

(b) The Participant's death or permanent Disability; or

(c) The date of the Participant's termination without Cause or termination for Good Reason, in each case, within 24 months following a Change of Control.

(d) Definitions. As used herein, the following terms shall have the meanings set forth below:

(1) "Cause" shall have the meaning set forth in the Participant's employment agreement with the Company, if any, or in the absence of an employment agreement definition shall mean (A) any act or omission which constitutes a material breach by the Participant of the terms of his or her employment, (B) the Participant's conviction of a felony or commission of any act which would rise to the level of a felony, (C) the Participant's conviction or commission of a lesser crime or offense that adversely impacts or potentially could impact upon the business or reputation of the Company and/or affiliates and subsidiaries in a material way, (D) the Participant's willful violation of specific lawful directives of the Company, (E) the Participant's commission of a dishonest or wrongful act involving fraud, misrepresentation, or moral turpitude causing damage or potential damage to the Company and/or its affiliates and subsidiaries, (F) the Participant's willful failure to perform a substantial part of the Participant's duties or (G) the Participant's breach of fiduciary duty.

(2) "Change of Control" shall have the meaning set forth in the Plan, provided however, that only an event that constitutes a change in control or ownership within the meaning of Treasury Regulation 1.409A-3(i)(5) shall be a Change of Control for purposes of this Agreement.

(3) "Disability" shall mean the Participant's permanent disability which constitutes a disability within the meaning of Section 409A(a)(2)(C) of the Code.

(4) "Good Reason" shall have the meaning set forth in the Participant's employment agreement with the Company, if any, or in the absence of an employment agreement definition shall mean (A) the scope of the Participant's position, authority or duties with the Company is materially adversely changed, (B) the Participant's compensation is not paid or is materially reduced or there is a material adverse change in the Participant's employee benefits or (C) the Participant is required by the Company to relocate to a place more than 50 miles from the Participant's current place of employment; provided that, in each case, "Good Reason" shall not exist unless the Participant provides the Company with written notice of the Participant's intent to terminate employment as a result of such event, providing the specific reasons therefore, and the Company does not make the necessary corrections within thirty days of receipt of the Participant's written notice, following which the Participant may terminate his or her employment for "Good Reason" within the ten days following expiration of such thirty day notice period.

(5) "RSU Retirement Plan" shall mean the AXIS Specialty U.S. Services, Inc. Executive RSU Retirement Plan, as in effect as of the date of this Agreement.

(ii) Absent subsequent Committee action, and except as otherwise provided under the RSU Retirement Plan (to the extent such plan is applicable to the Participant), the Award Units will not automatically vest upon or following the Participant's retirement.

(iii) Notwithstanding the foregoing, to the extent that the Participant is party to an employment agreement with the Company that provides for vesting of the Participant's restricted stock units on an accelerated or otherwise more favorable basis as compared to the terms set forth in this Section 2, then the Award Units shall vest pursuant to the terms set forth in such employment agreement.

3. ISSUANCE OF AWARD UNITS.

Subject to the Participant's continued employment with the Company during the Period of Restriction through the applicable vesting dates, the Company shall deliver to the Participant within thirty (30) days following each Anniversary Date (or within thirty (30) days following any vesting event described under Section 2(i)(b) or 2(i)(c) hereof, if applicable) the Shares underlying the vested portion of the Award Units as of the Anniversary Date with such Share delivery fully satisfying the Company's obligations to the Participant with respect to the Award Units. Subject to Section 5, the Participant will have no rights as a shareholder of the Company with respect to the Shares underlying the Award Units until such time as the Shares underlying the Award Units are actually delivered to the Participant. For purposes of this Agreement, references to the Participant's continued "employment" shall be deemed to refer to the Participant's continued active employment together with any permitted leaves of absence as described under Section 5(d), but shall not include any periods of inactive employment during which the Participant is on "garden leave" or otherwise receiving salary continuation payments in lieu of notice or as a form of severance pay, unless otherwise determined by the Company in connection with or prior to the Participant's commencement of any such period of inactive employment.

4. FORFEITURE OF UNVESTED AWARD UNITS UPON EMPLOYMENT TERMINATION

In the event that the Participant's employment terminates for any reason prior to the expiration of the Period of Restriction (except as described in Section 2(i)(b), 2(i)(c) or the RSU Retirement Plan, to the extent such plan is applicable to the Participant), including, for the avoidance of doubt, prior to the vesting of any Award Units, the Award will immediately terminate with respect to such unvested Award Units and the Company will have no further obligation or liability to the Participant.

5. RESTRICTIONS, VOTING RIGHTS AND DIVIDEND EQUIVALENTS.

(a) Restrictions. The Award may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated at any time.

(b) Voting Rights. Prior to the delivery of Award Units pursuant to this Agreement, the Participant shall not be entitled to exercise any voting rights with respect to the

Restricted Stock Units (or the Award Units) and, except as provided in Section 5(c), shall not be entitled to receive dividends or other distributions with respect to the Award Units.

(c) Dividend Equivalents. Dividend equivalents shall be paid to the Participant with respect to the Award Units during the Period of Restriction. Any dividend equivalents paid with respect to the Award Units during the Period of Restriction will be held by the Company, or a depository appointed by the Committee, for the Participant's account. All cash or share dividend equivalents so held shall be payable at the same time as the Award Units are delivered as set forth in Section 3 and shall be forfeited and shall not be paid in the event the Award is terminated as set forth in Section 3.

(d) Leaves of Absence. For any purpose under this Agreement, employment shall be deemed to continue while the Participant is on a bona fide leave of absence, if such leave was approved by the Company in writing and if continued crediting of employment for such purpose is expressly required by the terms of such leave or by applicable law (as determined by the Company).

6. RESTRICTIONS ON TRANSFER.

(a) Transfer Restrictions. Regardless of whether the offering and sale of Units under the Plan have been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or otherwise, the Company, in its sole discretion, may impose restrictions upon the sale, pledge or other transfer of the Shares deliverable in respect of the Award Units (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable in order to achieve compliance with the Company's Bye-Laws, the Securities Act, the U.S. Securities Exchange Act of 1934, as amended, the securities laws of any country or state or any other applicable law, rule or regulation.

(b) Legends. All certificates evidencing Shares issued in respect of Award Units under this Agreement shall bear such restrictive legends as are required or deemed advisable by the Company under the provisions of any applicable law, rule or regulation (including to reflect any restrictions to which you may be subject under any applicable securities laws). If, in the opinion of the Company and its counsel, any legend placed on a stock certificate representing Shares issued under this Agreement is no longer required, the holder of such certificate shall be entitled to exchange such certificate for a certificate representing the same number of Shares but without such legend.

7. MISCELLANEOUS PROVISIONS.

(a) Bye-Laws. All Shares acquired pursuant to this Agreement shall be subject to any applicable restrictions contained in the Company's Bye-Laws.

(b) No Retention Rights. Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue employment for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or any Affiliate

---

employing or retaining the Participant or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her employment at any time and for any reason, with or without Cause.

(c) Notice. Any notice required by the terms of this Agreement shall be given in writing and shall be deemed effective upon delivery by hand, upon delivery by reputable express courier or, if the recipient is located in the United States, upon deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid. Notice shall be addressed to the Company at its principal executive office and to the Participant at the address that he or she most recently provided in writing to the Company.

(d) Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of Bermuda.

(e) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) Modification or Amendment. This Agreement may be amended or modified by the Committee; provided that any amendment or modification that would adversely affect the Participant's rights with respect to the Award must be made by written agreement executed by the parties hereto; and provided, that the adjustments permitted pursuant to Sections 4(b) and 7(b) of the Plan may be made without such written agreement.

(g) Severability. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(h) Recoupment Policy. The Award is subject in all respects to the Company's Executive Compensation Recoupment Policy, as the same may be amended from time to time, or any successor policy thereto (to the extent such policy is applicable to the Participant).

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

REFINITIV