

United Nations Global Compact

AXIS Capital Holdings Limited Communication on Progress

For the year-ended December 31, 2021



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



All data in this Communication on Progress ("CoP") disclosure is as of, or for the reporting period January 1, 2021 to December 31, 2021 unless otherwise noted

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About AXIS Capital

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

AXIS became a signatory to the United Nations Global Compact in 2020 and is proud to provide its annual Communications on Progress ("CoP").

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



Statement of Continued Support by the Chief Executive Officer

I am pleased to confirm that AXIS Capital reaffirms its support of the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption.

Our Corporate Citizenship program, which is guided by the framework of the U.N. Global Compact, is designed to address environmental, social and governance ("ESG") issues, and continues to focus on areas where we believe we can make the greatest impact: protecting our planet; fostering belonging through diversity, equity, and inclusion; and investing in our communities.

In this CoP, we describe our actions to integrate the Ten Principles into our business strategy, culture and daily operations for the year ended December 31, 2021.

Sincerely yours,

Albert A. Benchimol
President & CEO
AXIS Capital

Progress Against the U.N. Global Compact Principles

HUMAN RIGHTS UPDATE

PRINCIPLES	ACTIONS
<p>Our commitment to human rights</p> <p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: Make sure that they are not complicit in human rights abuses.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • AXIS is committed to respecting the rights of all individuals. • Our Human Rights Policy establishes standards for global business conduct related to human rights and labor for AXIS and its employees and suppliers. The Policy is discussed further under "Labor" below. • Our Group Statement on Modern Slavery and Human Trafficking confirms that we prohibit any form of slavery, forced labor or human trafficking in our business and supply chains. • Our Code of Business Conduct confirms our commitment to operating our business with the highest level of ethical conduct and in compliance with applicable laws and regulations. The Code of Business Conduct is discussed further under "Labor" below.
	<p>Implementation</p> <ul style="list-style-type: none"> • <u>Annual Certification</u>. We provide periodic training on our Code of Business Conduct and require an annual self-certification of compliance by all employees of our Code of Business Conduct, Human Rights Policy and other business ethics policies. • <u>Reporting</u>. The Company has established procedures for the reporting of actual or potential violations relating to laws, regulations and corporate policies. Reports may be made openly or on an anonymous basis via the Company's toll-free hotlines or via the Company's web-based reporting portal.

	<ul style="list-style-type: none"> • <u>Health, Safety and Wellness.</u> We are committed to the health, safety and wellness of our workforce. <ul style="list-style-type: none"> • In 2021, in response to the ongoing COVID-19 pandemic, many of our employees continued to work remotely. As we did in 2020, we continued to: <ul style="list-style-type: none"> ◦ Provide employees with an office and technology stipend to assist with the transition to work from home; ◦ Develop educational tools and materials focused on the wellbeing of our employees, including remote working best practices, leadership of virtual teams and managing stress while working from home; and ◦ Offer flexible work schedules, half-day well-being days and flexibility with paid time off and sick leave policies for employees directly impacted by COVID-19. • As COVID-19 vaccines became available in 2021, we strongly encouraged our employees to receive the vaccine when eligible to ensure the safest workplace possible for our people. Employees were offered paid time off to receive primary or booster vaccinations. <ul style="list-style-type: none"> ◦ Our COVID-19 policy also encourages all employees to follow local guidelines regarding face coverings and social distancing. ◦ We continued a contact tracing program that allows us to identify employees who have been in close contact with individuals who have tested positive for COVID-19. • In 2021 we developed Flex for Your Day, launched in early 2022, our new hybrid work format designed as a flexible approach to reflect each team's needs and to empower business leaders and their teams to determine how each specific operation should use the office. • Our Board continued to focus on our response to the COVID-19 pandemic, receiving regular updates on the health and safety of employees, protocols to address actual or suspected COVID-19 exposures or cases and the status of any return-to-work decisions. • <u>Philanthropy.</u> Our philanthropy strategy continues to provide support to organizations that advance human rights. Some of our 2021 initiatives are described below. <ul style="list-style-type: none"> • We continued to support global organizations working to bring vaccines to underserved populations, such as Partners in Health,
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	<p>International Medical Corps and Doctors Without Borders. In addition, we held a promotional event for our ethnically diverse Employee Resource Group whereby each colleague recognized as an ally resulted in a donation to the Quality Education of Minorities network.</p> <ul style="list-style-type: none"> • Each year we host a Global Giving Rally, a period of time when colleagues can use paid time off to volunteer at local organizations. We also offer one additional paid day off to volunteer at any point during the year. Due to COVID-19, most activities were virtual, including the Missing Maps project for Doctor Without Borders for which AXIS colleagues mapped those parts of the world most vulnerable to humanitarian crises. • On a regional level, we empower staff to identify and build deep relationships with local organizations, with a focus on ensuring that their funding reaches those most in need. Around the globe, we have 18 Local Philanthropy Committees that have the authority to allocate volunteer and financial resources in their communities. • At the individual level, AXIS matches our colleagues' donations to any certified charity, up to \$1,000. And in celebration of our 20th Anniversary, we awarded one employee \$20,000 to donate to their charity of choice. In total, AXIS matched over 200 gifts to organizations selected by our colleagues.
	<p>Measurement of Outcomes</p> <ul style="list-style-type: none"> • There were no reported incidences of slavery or trafficking from our employees during the year. • 100% of AXIS employees were expected to affirm that they understand the standards expected of them in the Code of Business Conduct, Human Rights Policy and other business ethics policies. • Through our philanthropy initiatives, our Local Committees facilitated philanthropic donations to over 100 community organizations in 2021.

LABOR UPDATE

PRINCIPLES	ACTIONS
<p>Our commitment to fair labor</p> <p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labor;</p> <p>Principle 5: the effective abolition of child labor; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • Our Human Rights Policy establishes standards for global business conduct related to human rights and labor for AXIS and its employees and suppliers. The policy sets forth our expectations with respect to: <ul style="list-style-type: none"> • Fair treatment; • Equal opportunity and diversity; • Safe and healthy workplace; • Prohibition on forced labor and human trafficking; and • Prohibition on child labor. • In 2021, AXIS amended its Human Rights Policy to incorporate the Free, Prior, and Informed Consent ("FPIC") principle in accordance with the United Nations Declaration on the Rights of Indigenous Peoples. As a result, it is our policy to not provide insurance coverage on projects undertaken on indigenous territories without obtaining the FPIC of any indigenous community affected by the project. • Our Group Statement on Modern Slavery and Human Trafficking confirms that we prohibit any form of slavery, forced labor or human trafficking in our business and supply chains. • Our Code of Business Conduct confirms our commitment to operating our business with the highest level of ethical conduct and in compliance with applicable laws and regulations. The Code of Business Conduct prohibits discrimination on the basis of gender identity, race, age, religion, sexual orientation, marital status, national origin disability, ethnicity, political opinion or any basis prohibited by the laws that govern its operations. • In 2021, AXIS launched and publicized a Supplier Diversity Program to promote diversity in our supplier base. A Supplier Code of Conduct was adopted to set forth our expectations for suppliers regarding social, environmental and ethical responsibilities.

	<p>Implementation</p> <ul style="list-style-type: none"> • <u>Annual Certification.</u> We provide periodic training on our Code of Business Conduct and require an annual self certification of compliance by all employees of our Code of Business Conduct, Human Rights Policy and other business ethics policies. • <u>Reporting.</u> The Company has established procedures for the reporting of actual or potential violations relating to laws, regulations and Company policies. Reports may be made openly or on an anonymous basis via the Company's toll-free hotlines or via the Company's web-based reporting portal. • <u>Diversity, Equity and Inclusion ("DEI").</u> We see diversity, equity and inclusion as a strategic imperative that is core to our business and our culture. We believe that encouraging a wide range of experiences, backgrounds and perspectives and ensuring equal treatment for all makes AXIS a more rewarding place to work, enables us to attract talented teammates, enriches our perspectives and makes us stronger as a global organization. Below are recent strategies and initiatives enacted in partnership with the AXIS volunteer Diversity Equity & Inclusion Council and Diversity Equity & Inclusion Advocates to foster a diverse, equitable and inclusive culture: <ul style="list-style-type: none"> • Internal Education and Awareness – AXIS continued to host various diversity, equity and inclusion educational initiatives. In 2021 these included: <ul style="list-style-type: none"> ○ Monthly diversity, equity and inclusion learning experiences created by AXIS employees; ○ Internal education events, such as the 2021 Annual Diversity & Inclusion Forum focused on mental health and unconscious bias training; ○ Women in Technology Panel; and ○ Initiatives, resources and donation opportunities developed for key DEI moments such as Juneteenth, Pride Month, Mental Health Awareness Month and International Women's Day. • Recruitment and Mobility – We continued to broaden our recruiting strategies to identify, recruit and develop a diverse pipeline of candidates. 2021 initiatives include: <ul style="list-style-type: none"> ○ Continuing to build pipelines through diverse apprenticeship and internship programs in Bermuda, London, Canada, and the U.S.; ○ Further building out our internship program with increasingly diverse representation; ○ Including our diversity, equity and inclusion values in recruitment materials; and
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	<ul style="list-style-type: none"> ○ Launching a pilot recruitment source in the UK with a program that brings women back to the workforce. ● Support of Diverse Colleagues in Their Careers <ul style="list-style-type: none"> ○ Launching employee resource groups (ERGs), employee-led groups comprised of individuals with common interests, backgrounds or demographic factors. AXIS hosts ERGs for women, parents and veterans, LGBTQ+ and ethnically diverse employees; ○ Launching a leadership coaching program with 50% diverse employee participation; and ○ Enrolling 28 AXIS women in a 12-month "Emerging Leaders" program. ● Our Voice – AXIS is proud to promote diversity, equity and inclusion issues, policies and initiatives to drive change in the (re)insurance industry. 2021 activities included: <ul style="list-style-type: none"> ○ AXIS scaled up engagement in the 2021 Lloyd's Dive In Festival, an initiative focused on diversity, equity and inclusion in the insurance industry, by serving as a Global Festival Partner and supporting our AXIS colleagues who spoke on panels as part of the festival. ○ AXIS sponsored a team that placed third at the National African American Association Talent Competition with St. John's University. ○ AXIS continued to support colleagues as they continued leadership positions in a variety of industry organizations dedicated to advancing diversity, equity and inclusion, such as Insider Progress, the National African American Insurance Association, the Association of Professional Insurance Women and the WSIA Insurance Industry Diversity Foundation. ● Measurement – We believe transparency will play a critical role in driving action by shining light on the areas where we can increase underrepresented populations in our workforce. <ul style="list-style-type: none"> ○ For the second consecutive year, AXIS participated in the Bloomberg Gender Equality Index (GEI), an index of public companies committed to disclosing their efforts to achieve gender equality, to build greater parity between genders within our organization. This participation, in turn, earned AXIS inclusion in the 2022 and 2021 Bloomberg GEI. ○ AXIS was also awarded the "5-Star Diversity, Equity and Inclusion" by Insurance Business America, which showcases companies in the (re)insurance industry that demonstrate effective D&I programs.
	<p><i>Benefits to Support our Employees</i></p>

	<p>We continued to offer relevant benefits supporting our employees:</p> <ul style="list-style-type: none"> • Mental health and wellness benefits such as an Employee Assistance Program, free access to a mental-health app, access to fitness services, and incentives to use environmental-friendly methods of transportation; and • Additional support for employees and their families including on-demand fertility, maternity, post-partum and return to work support, ; back-up emergency child and elder care, and ; online courses for children ages 3-18. • For an overview of our benefits, see this link.
	<p>Measurement of Outcomes</p> <ul style="list-style-type: none"> • There were no reported incidences of slavery or trafficking from our employees during the year. Our employees also completed the annual certification of our Code of Business Conduct and Human Rights Policy during the year. • We are committed to transparency and accountability as it relates to DEI in our workforce. AXIS continued its quarterly measurement of diverse hiring, turnover and promotions in support of this work: <ul style="list-style-type: none"> • We continue to scale up our analytics capabilities to help us set, track and consistently improve our diversity, equity and inclusion efforts. • To help us better understand the representation of our global workforce, we explored ways to increase data collection of ethnicity and other diversity information in accordance with local privacy laws. • AXIS continued to measure gender pay gap and conducts pay audits on an annual basis. • As part of our commitment to transparency, AXIS has taken the following measures: <ul style="list-style-type: none"> • In 2021, AXIS disclosed for the first time our global gender demographics and U.S. employee racial and ethnic demographics. The data reflected demographics as of December 31, 2020. • In early 2022, we set Diversity, Equity, Inclusion goals to achieve gender parity within our organization by 2025, We are also focused on

	increasing senior representation and have set goals around ethnicity and women.
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ENVIRONMENT UPDATE

PRINCIPLES	ACTIONS
<p>Our commitment to the environment</p> <p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • AXIS is committed to adopting a long-term sustainable approach to caring for and safeguarding the environment and managing climate-related and other environmental risks. • Our Statement and Policy on Climate Risk and the Environment: <ul style="list-style-type: none"> (i) Sets forth a summary of AXIS' management of climate risk and selected other environmental exposures; and (ii) Reinforces AXIS' goal of continuing to reduce our carbon footprint and other environmental impacts of our business operations. <p>Implementation</p> <p>We recognize that climate-related risks are among the biggest threats to our planet today. To help manage these risks, we assess and mitigate the environmental impact of our business, exposures and operations.</p> <ul style="list-style-type: none"> • <u>Our Business</u>. We believe that (re)insurers have an important role to play in mitigating climate risk, transitioning to a low-carbon economy and protecting our planet. Examples include: <ul style="list-style-type: none"> • <u>Underwriting and product</u> – We were proud to continue to be a top global player in the renewable energy insurance space – a line of business in which we continue to invest. We completed a focused review of our portfolio's climate risks across our product lines in the AXIS Insurance International Divisions to understand our portfolio's transition risk, and we have expanded this assessment globally in 2022. We will use this information to inform our go-forward strategy on ESG risks and opportunities. • <u>Investment</u> – We continue to consider ESG matters in our investment decisions and developed a scorecard including ESG factors for use in 2022. We also announced a \$20 million investment in BlackRock's Climate Finance Partnership, a fund focused on climate-infrastructure investments in emerging markets. • <u>Thermal coal and oil sands</u> – In 2021 we strengthened our fossil fuels policy, initially announced in 2019, to include restrictions for thermal

	<p>coal developers and for activities in the Arctic National Wildlife Refuge.</p> <ul style="list-style-type: none"> • <u>Climate risk analysis</u> – We have continued to advance and monitor the latest science on climate change through our Exposure Management Centre of Excellence ("EMCE") formerly known, as the Catastrophe Center of Excellence, the AXIS Research Center at the University of Illinois, our global climate change working group and local modeling teams. We also model and review peril regions most likely to be affected by climate risk. • <u>Our Operations.</u> • <u>Carbon footprint</u> – In 2021 we first disclosed our measured GHG emissions, addressing the year ended 2019. We continue to actively track the results of our assessment to inform our strategy to mitigate our environmental footprint and minimize our operational impact. AXIS' successful transition to remote and hybrid work during the COVID-19 pandemic accelerated business decisions that will reduce emissions, including a reduction of office space and reduction of commuting emissions through the introduction of more flexible working arrangements. • <u>Additional</u> – Additional initiatives intended to address the environmental impact of our operations can be found in the AXIS Capital Holdings Limited Statement and Policy on Climate Risk and the Environment on our website. • <u>Our Philanthropy</u>. Our support of environmental causes included: <ul style="list-style-type: none"> • AXIS again continued a partnership with Adara, a global organization that helps families future-proof their communities. In addition, in 2022 we started partnerships with Ocean Conservancy and the World Wildlife Fund for Nature (WWF). • We also offered opportunities to give back on climate matters through AXIS Applause, our internal Employee Recognition Program. For example, on Earth Day, every recognition resulted in a donation to onetreeplanted.org. • <u>Our Voice</u>. We are committed to using our voice to advocate on climate issues and are proud and active participants in industry-wide initiatives. Examples include: <ul style="list-style-type: none"> • <u>Sustainable Markets Initiative</u> – AXIS joined the Sustainable Products and Services Workstream and the Multilateral Development Bank Insurance workstream of the Sustainable Markets Initiative Insurance
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	<p>Task Force (the “SMI Insurance Task Force”), convened by HRH Prince of Wales and chaired by Lloyd’s. As part of the Company’s participation in the SMI Insurance Task Force, AXIS provided information relating to its insurance coverage of renewable energy assets. This information was included in an SMI Insurance Task Force report on how the specialty insurance market is driving insurance product and service innovation to encourage greener business practices. AXIS has also partnered with Lloyd’s and the SMI to convene and moderate a roundtable with renewable energy insurers and brokers to discuss challenges and solutions for supporting the development of insurance coverage of renewable energy assets in developing markets. The SMI is an insurance industry task force to drive positive climate action and support the global transition to a sustainable future.</p> <ul style="list-style-type: none"> • <u>AIR Worldwide (Verisk), the University of Illinois and The Brookings Institution</u> – AXIS partnered with AIR Worldwide and scholars from the University of Illinois and The Brookings Institution to publish “Quantifying the Impact from Climate Change on U.S. Hurricane Risk,” a research study addressing how climate change may affect hurricane risk in the United States by 2050, specifically related to residential and commercial properties (released January 2021). AXIS also partnered with Verisk and scholars from the University of Illinois and The Brookings Institution to publish “Quantifying the Impacts of Climate Change on U.S. Corn Yields” (released April 2021). These papers included information from University of Illinois research fellows sponsored and funded by AXIS. • <u>University of Illinois Gies College of Business</u> – AXIS continued to partner with leading researchers and students through a corporate partnership at the University of Illinois’ Office of Risk Management and Insurance Research. Additionally, through the AXIS Risk Management Academy, students from a variety of disciplines across the university can investigate professional development resources and opportunities in the risk management and (re)insurance fields. • <u>Insurance Development Forum</u> – AXIS continued to be an active member of the Insurance Development Forum (IDF), a public-private partnership among the World Bank, the United Nations and members of the insurance industry that seeks to optimize and promote the use of insurance to address social, economic and environmental issues. We continue to play a leadership role as our CEO, Albert Benchimol, serves on the IDF Steering Committee. In addition, we continue to participate in IDF working groups, including the Sovereign & Humanitarian Solutions working group. In connection with our role in the Sovereign & Humanitarian Solutions working group, we were in 2021 an industry
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	<p>participant in the Insurance and Risk Finance Facility (IRFF) launched in September 2021 through the United Nations Development Programme (UNDP).</p> <ul style="list-style-type: none"> • <u>The Geneva Association</u> – AXIS remains a member of The Geneva Association, the international think tank of the industry.
	<p>Measurement of Outcomes</p> <ul style="list-style-type: none"> • In 2021, we disclosed our measured greenhouse gas (GHG) emissions for the first time, addressing 2019 emissions. See our website for recent GHG disclosure. • We published our second report aligned with the Sustainable Accounting Standards Board, a voluntary public disclosure that provides ESG information. We also publish annual disclosures such as this UN Global Compact Communication on Progress as well as the Principles for Sustainable Insurance. Find relevant disclosures on our website here.

ANTI-CORRUPTION UPDATE

PRINCIPLES	ACTIONS
<p>Our commitment to anti-corruption</p> <p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • Our Code of Business Conduct confirms our commitment to operating our business with the highest level of ethical conduct and in compliance with applicable laws and regulations. Our Code of Business Conduct addresses, among other things, gifts and favors, and it prohibits bribery and corruption. The Code of Business Conduct is further discussed under "Labor" above. <p>Implementation</p> <ul style="list-style-type: none"> • <u>Annual Certification</u>. We provide periodic training on our Code of Business Conduct and require an annual employee certification by all employees of our Code of Business Conduct, Human Rights Policies and other business ethnic policies. • <u>Compliance Program</u>. We have a global compliance program, overseen by our General Counsel. The compliance team provides supplemental awareness and anti-bribery training to targeted employees.

	<ul style="list-style-type: none">• <u>Reporting.</u> The Company has established procedures for the reporting of actual or potential violations relating to laws, regulations and Company policies. Reports may be made openly or on an anonymous basis via the Company's toll-free telephone hotlines or via the Company's web-based reporting portal.
	<p>Measurement of Outcomes</p> <ul style="list-style-type: none">• Our employees were provided training and completed the annual certification of our Code of Business Conduct during the year.

Thank you for reading our second report describing our continued commitment to the ten principles of the United Nations Global Compact. AXIS is proud of the progress we have made and recognize there is more work to be done. We will continue to act on the commitments outlined in this report throughout 2022 and beyond, and publish clear and transparent disclosures to hold ourselves accountable.