



**AXIS Capital Holdings Limited**

**Charter of the Compensation Committee**

## **CHARTER OF THE COMPENSATION COMMITTEE**

This Charter of the Compensation Committee (the “Committee”) has been adopted by the Board of Directors (the “Board”) of AXIS Capital Holdings Limited (the “Company”).

### **A. Purpose**

The Committee shall provide assistance to the Board by fulfilling the Committee’s duties and responsibilities outlined in Section B.

### **B. Duties and Responsibilities**

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be required or appropriate in light of business, legislative, regulatory, legal or other conditions or changes. The Committee shall also carry out any other related responsibilities and duties delegated to it by the Board of Directors from time to time:

1. To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Chief Executive Officer. The Committee shall evaluate at least one (1) time per year the Chief Executive Officer’s performance in light of these established goals and objectives and evaluate whether he or she upholds the highest standards of integrity and professional performance and is capable of successfully directing the Company’s operations and results. Based upon these evaluations, the Committee shall set the Chief Executive Officer’s annual compensation, including salary, bonus, equity and equity-based compensation and other benefits, direct and indirect. In determining the long-term incentive component of the Chief Executive Officer’s compensation, the Committee shall consider the Company’s performance and relative shareholder return and the value of similar incentive awards to chief executive officers at comparable companies, including previous awards given to the Chief Executive Officer of the Company. The Committee shall not be precluded from approving awards as may be required to comply with applicable tax laws, rules or regulations.
2. To recommend to the Board for approval the Company’s compensation practices affecting all officers, management and employees, including the methodologies for determining officer, management and employee salary, bonus, equity and equity-based compensation and other benefits, direct and indirect. In making such recommendations, the Committee shall consider all relevant factors in determining the appropriate levels of such

compensation, including factors applicable with respect to the Chief Executive Officer.

3. To annually review the Company's compensation practices to ensure that such practices do not encourage inappropriate risk-taking.
4. To prepare the report on executive officer compensation required to be included in the Company's annual proxy statement or annual report on Form 10-K pursuant to the rules promulgated by the U.S. Securities and Exchange Commission.
5. To recommend to the Board the form and amount of director compensation. In making its recommendation, the Committee shall be guided by the following principles: (a) director compensation should be comparable to companies of similar size, complexity and industry; (b) director compensation should align the interests of directors with those of the shareholders; (c) the structure of director compensation should be transparent; and (d) compensation for committee service may vary depending upon the time commitment and nature of duties and responsibilities required for a particular committee. The Committee shall conduct an annual review of director compensation, as well as an annual review of the principles for determining compensation form and amount.
6. To approve any initial offers of employment, salary increases, bonuses or other incentive payments for all salary grades at and above grade 14. The Committee shall also approve or recommend to the Board all equity and equity-based awards made to the Company's directors and executive officers in accordance with Rule 16b-3 under the Securities Exchange Act of 1934.
7. To review and approve or recommend to the Board the Company's incentive compensation and equity-based compensation plans as well as all amendments to such plans.
8. Discuss the results of the shareholder advisory vote on "say-on-pay," if any, with regard to the named executive officers.
9. To delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

### **C. Outside Advisors**

The Committee may, in its sole discretion, retain, obtain the advice of and terminate any compensation consultant, independent legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of any compensation consultant, independent legal counsel or other adviser retained by

the Committee. The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any compensation consultant, independent legal counsel or other adviser retained by the Committee, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall undertake an independence assessment prior to selecting any compensation consultant, legal counsel or other advisers that will provide advice to the Committee (other than in-house legal counsel) taking into account such factors as may be required by the New York Stock Exchange from time to time. Any compensation consultant retained by the Committee to assist it in connection with setting the amount or form of executive or director compensation (other than any role limited to consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice) shall not provide any other services to the Company or its subsidiaries, unless such services are pre-approved by the Committee. Finally, the Committee shall evaluate, on at least an annual basis, whether any work provided by the Committee's compensation consultant raised any conflict of interest.

#### **D. Annual Performance Evaluation**

The Committee shall conduct an annual self-performance evaluation, including an evaluation of its compliance with this Charter. The Committee shall report on its annual self-performance evaluation to the Board.

#### **E. Membership**

The Committee shall consist of no fewer than three (3) directors, as determined by the Board. Each Committee member shall (i) meet the independence requirements of the New York Stock Exchange and (ii) any other requirements set forth in applicable laws, rules and regulations. Each Committee member shall also have knowledge or experience relating to officer, management and employee compensation and related matters. The Committee members shall be appointed annually by a majority vote of the Board on the recommendation of the Corporate Governance and Nominating Committee. The Committee members may be removed, with or without cause, by a majority vote of the Board. Any vacancy on the Committee shall be filled by a majority vote of the Board.

#### **F. Chairman**

The Committee shall include a Committee chairman. The Committee chairman shall be appointed by a majority vote of the Board. The Committee chairman shall be entitled to chair all regular sessions of the Committee.

## **G. Meetings**

The Committee shall meet at least one (1) time per quarter or more frequently as circumstances dictate. All Committee members shall strive to be present at all Committee meetings.

The Committee chairman may call a Committee meeting upon due notice of each other Committee member at least forty-eight (48) hours prior to the meeting. A majority of Committee members, acting in person, by means of telephone or by duly authorized representative, shall constitute a quorum. The Committee shall act by majority vote. The committee meetings shall follow a set agenda established by the Committee chairman in consultation with the Chairman of the Board. The Committee shall be responsible for maintaining minutes and other applicable records of each Committee meeting. The Committee shall report its actions and recommendations to the Board after each Committee meeting.

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