



FIDELIS INSURANCE HOLDINGS LIMITED

Audit Committee Terms of Reference

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Strictly Private and Confidential

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1. Introduction and Purpose

The primary purposes of the audit committee (the “**Committee**”) of the board of directors (the “**Board**” and each member thereof, a “**Director**”) of Fidelis Insurance Holdings Limited (the “**Company**” or “**FIHL**”) are to prepare the Committee report required by the rules of the United States Securities and Exchange Commission (the “**SEC**”) and to assist the Board with its oversight of the Company’s and the Fidelis group of companies’ (the “**Fidelis Group**”) risk management policies and procedures, audits and integrity of the Company’s and the Fidelis Group’s financial statements, the effectiveness of the Company’s and the Fidelis Group’s internal controls over financial reporting, the Company’s and the Fidelis Group’s compliance with legal and regulatory requirements, the qualifications, performance, and independence of the Company’s and the Fidelis Group’s independent accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services for the Fidelis Group (the “**Independent Auditor**”), and the performance of the Company’s and the Fidelis Group’s internal audit function.

The purpose of this document (the “**Charter**”) is to detail the terms of reference for the Committee.

2. Authority and Governance

The Committee is authorised by the Board to:

- Review and challenge any matter within its terms of reference;
- Establish and delegate authority to subcommittees consisting of one or more of its members as the Committee deems appropriate to carry out its responsibilities and exercise its powers except to the extent prohibited under the rules and regulations of the SEC or the New York Stock Exchange (the “**NYSE**”);
- Obtain any items necessary from any employees of FIHL or the Fidelis Group in order to perform its duties;
- Obtain independent legal or other professional advice, at FIHL’s expense, on any matters within its terms of reference, and determine the compensation or fees payable to such advisers;
- Request that any officer or employee of the Company, the Company’s outside legal counsel, the Independent Auditor, or any other professional retained by the Company meet with the Committee or its members or advisers;
- Cause the Company to pay, without further action by the Board, the compensation due to the Independent Auditor and such other advisers as established by the Committee; and
- Receive appropriate funding from the Company, as determined by the Board, for use by the Committee in fulfilling its duties as set forth herein.

3. Composition

The members of the Committee will be as determined by the Board and shall consist of at least three or more directors, each of whom shall be determined by the Board to satisfy the independence requirements established by Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules of the NYSE, subject, in each case, to an election by the Company to rely upon the phase-in periods or cure periods permitted under applicable rules.

All members of the Committee shall be non-executive directors and must be financially literate, as determined by the Board. Subject to phase-in periods, at least one member of the Committee must have accounting or related financial management expertise, as determined by the Board, and at least one member of the Committee must be an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K. A person who satisfies this definition of audit committee financial expert will also be presumed to have accounting or related financial management expertise, as required by the rules of NYSE.

The members of the Committee, and the chairperson of the Committee (the “**Chair**”), shall be appointed by the Board annually, or as vacancies or newly created positions occur, and may be replaced or removed by the Board at any time with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically and without any further action constitute resignation or removal, as applicable, from the Committee.

The Committee may invite such other individuals as they deem appropriate to attend meetings of the Committee. The additional attendees will not be granted a vote. The internal and external auditors will be invited to attend regular meetings of the Committee and the Committee shall have the right to meet with the internal and/or external auditors without any executive officers or management present.

No member of the Committee may simultaneously serve on the audit committee of more than three (3) issuers having securities registered under Section 12 of the Exchange Act, unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee.

4. Compensation

A member of the Committee may not, other than in his or her capacity as a member of the Committee, the Board, or any other committee established by the Board, receive directly or indirectly any consulting, advisory, or other compensatory fee from the Company.

5. Meetings

5.1 Frequency

The Committee will meet as frequently as it determines is appropriate to carry out its responsibilities under this Charter, but at least quarterly based on annual reporting and business management cycle. Periodically (typically quarterly), the Committee shall also meet in separate executive sessions with management, with applicable members of the Company’s internal audit function, and with representatives of the Company’s Independent Auditor.

5.2 Notice

The Committee meeting schedule for the year shall be agreed at the final meeting of the preceding financial year. An agenda and supporting papers for each Committee meeting are to be forwarded to all Committee members and all other non-executive directors at least two business days prior to the meeting. For ad hoc meetings, the agenda and any supporting papers shall be circulated as soon as practicable ahead of the meeting.

Further meetings of the Committee shall be called by the FIHL company secretary at the request of any of its members or of FIHL’s external or internal auditors.

5.3 Quorum

A majority of Committee members will constitute a quorum unless otherwise agreed to by the Board. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee, subject to the oversight of the Board.

5.4 Decision-making

Decisions of the Committee will be by majority. In the event of a tied vote, the Chair has the right to cast a deciding vote. The Committee may also act by unanimous written consent (which may include electronic consent) in lieu of a meeting to the extent permitted by the Company's bye-laws.

5.5 Attendance

It is preferred that all proceedings of the Committee take place in the United Kingdom, save that one meeting per year may take place in Bermuda, and all members be physically present. Under exceptional circumstances (such as travel restrictions or quarantining requirements as a result of a pandemic), members of the Committee may be permitted to dial in to the meeting, provided that the Group Chief Legal Officer in coordination with the Group Chief Financial Officer has confirmed that it would be permissible to do so and members of the Committee having given advance notice to the FIHL company secretary of their intention to do so.

Provided that all proceedings of the Committee are to be conducted in accordance with the tax operating guidelines applicable to FIHL and the Fidelis Group from time to time, meetings may be conducted in person, by telephone and/or by video-conference. Any decisions or votes made by telephone and/or by video-conference shall have the same weight as those conducted in person.

5.6 Minutes

The FIHL company secretary, or in the absence of the FIHL company secretary, such other person as the Committee shall determine, shall serve as secretary to the Committee (the "**Secretary**") and shall record conclusive evidence of the matters handled and discussed at the Committee meeting in the meeting minutes. Draft minutes of Committee meetings shall be circulated in advance of the following Committee meeting to all members of the Committee. The Secretary shall ensure that the minutes are approved and signed by the Chair and filed appropriately. Minutes will be kept for at least seven years, if not permanently, in an accessible form.

6. **Duties and Responsibilities**

The Committee shall report regularly to the full Board regarding the duties and responsibilities set forth below, as well as such other duties and responsibilities as the Board may request from time to time. In performing its duties and responsibilities, the Committee may rely on advice and information it receives from management, the Independent Auditor, and any experts, advisers, and other professionals whom it may consult. The Committee believes that its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee shall produce a report on its activities to be included in FIHL's annual report, if required.

The Committee's role is one of oversight. Notwithstanding the duties, responsibilities, and authority of the Committee, the Committee does not have the responsibility of planning or conducting audits of the Company's financial statements or determining whether the Company's financial statements are complete, accurate, and in accordance with generally accepted accounting principles in the United States ("**U.S. GAAP**"). Such responsibilities are the duty of management and, to the extent of the Independent Auditor's audit responsibilities, the Independent Auditor. In addition, the Committee, at its discretion, has the authority to initiate investigations and hire legal, accounting or other outside advisors or experts to assist the Committee, as it deems necessary to fulfil its duties under this Charter. The Committee may also perform such other activities consistent with this Charter, the

Company's bye-laws and governing law, as the Committee or the Board deems necessary or appropriate.

The Committee shall perform the following duties and responsibilities:

6.1 Review of Charter

- Review and assess the adequacy of this Charter annually and recommend to the full Board any amendments or modifications thereto that the Committee deems appropriate.

6.2 Annual Performance Evaluation

- At least once a year, the Committee shall review its own performance, constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

6.3 Matters Relating to Selection, Performance, and Independence of Independent Auditor

- Be directly responsible for the appointment, retention, and termination of, and for determining the compensation of, the Company's Independent Auditor. The Independent Auditor shall report directly to the Committee, and the Committee shall be directly responsible for oversight of the work of the Independent Auditor (including resolution of disagreements between management and the Independent Auditor regarding financial reporting). As part of such oversight, the Committee may review and approve the scope and staffing of the Independent Auditor's annual audit plan(s).
- Pre-approve all auditing services and the terms thereof and non-audit services (other than non-audit services prohibited under Section 10A(g) of the Exchange Act or the applicable rules of the SEC or the Public Company Accounting Oversight Board (the "PCAOB")) to be provided to the Company and its applicable subsidiaries by the Independent Auditor; provided, however, that the pre-approval requirement is waived with respect to the provision of non-audit services if the "de minimis" provisions of Section 10A(i)(1)(B) of the Exchange Act are satisfied. The authority to pre-approve auditing and non-audit services as described in this paragraph may be delegated to one or more members of the Committee, including the Chair, who shall present all such pre-approval decisions to the full Committee for ratification at its first meeting following such decision.
- Evaluate the Independent Auditor's independence by:
 - (1) requesting that the Independent Auditor provide the Committee with the written disclosures and the letter required by PCAOB Rule 3526;
 - (2) requiring that the Independent Auditor submit to the Committee at least annually a formal written statement describing all relationships between the Independent Auditor or any of its affiliates and the Company or persons in financial reporting oversight roles at the Company that might reasonably be thought to bear on the independence of the Independent Auditor;
 - (3) discussing with the Independent Auditor the potential effects of any disclosed relationships or services on the objectivity and independence of the Independent Auditor;
 - (4) requiring that the Independent Auditor provide to the Committee written affirmation that the Independent Auditor is, as of the date of the affirmation, independent in compliance with PCAOB Rule 3520; and

- (5) based on such disclosures, statement, discussion, and affirmation, taking or recommending that the Board take appropriate action in response to the Independent Auditor's report to satisfy itself of the Independent Auditor's independence.

In addition, before approving the initial engagement of any independent auditor, the Committee shall receive, review, and discuss with the audit firm all information required by, and otherwise take all actions necessary for compliance with the requirements of, PCAOB Rule 3526. References to rules of the PCAOB shall be deemed to refer to such rules and to any substantially equivalent rules adopted to replace such rules, in each case as subsequently amended, modified, or supplemented.

- Evaluate, at least annually, the Independent Auditor's qualifications, performance, and independence, and present to the full Board the Committee's conclusions with respect to the Independent Auditor. As part of such evaluation, the Committee shall:
 - obtain and review a report or reports from the Independent Auditor describing (1) the Independent Auditor's internal quality-control procedures, (2) any material issues raised by the most recent internal quality-control review or peer review of the Independent Auditor or by any inquiry or investigation by government or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the Independent Auditor, and any steps taken to address any such issues, and (3) in order to assess the Independent Auditor's independence, all relationships between the Independent Auditor and the Company that may be reasonably thought to bear on the Independent Auditor's independence;
 - review and evaluate the performance of the Independent Auditor, the lead partner, and the other members of the Independent Auditor's audit staff; and
 - confirm and evaluate the regular rotation of the audit partners (including, without limitation, the lead and concurring partners) as required under the Exchange Act and Regulation S-X. In this regard, the Committee shall also (1) seek the opinion of management and the internal auditors of the Independent Auditor's performance, and (2) consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm.
- Set clear policies with respect to the potential hiring of current or former employees of the Independent Auditor.

6.4 Review of Financial Statements and Annual Audit

- Review and discuss the overall audit plan with the Independent Auditor and with the members of management who are responsible for preparing the Company's financial statements, including the Company's Chief Financial Officer and/or principal accounting officer or principal financial officer.
- Review and discuss with the members of management who are responsible for preparing the Company's financial statements, including the Company's Chief Financial Officer and/or principal accounting officer or principal financial officer, and with the Independent Auditor, the Company's financial statements (both annual audited financial statements and interim unaudited financial statements, as necessary), including (1) all critical accounting policies and practices used or to be used by the Company, (2) the Company's disclosures prior to the filing of the

Company's Annual Report on Form 20-F or Quarterly Report on Form 6-K, as applicable, and (3) any significant financial reporting issues that have arisen in connection with the preparation of such audited financial statements.

- Review the following:
 - any analyses prepared by management, the internal auditors, and/or the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative U.S. GAAP methods on the financial statements. The Committee may consider the ramifications of the use of such alternative disclosures and treatments on the financial statements, as well as the treatment preferred by the Independent Auditor. The Committee may also consider other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences;
 - major issues regarding accounting principles and procedures and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles;
 - the effects of regulatory and accounting initiatives, as well as of off-balance sheet transactions and structures, on the financial statements of the Company; and
 - the actions and decisions of management in relation to the financial statements, annual report and accounts and any other formal reports relating to FIHL's financial performance and performance of the Fidelis Group. Including the methodology used to account for significant or unusual transactions and the associated impact on the financial statements and the appropriateness of the associated disclosures.
- Review and discuss with the Independent Auditor any audit problems or difficulties and management's response thereto. This review shall include (1) any difficulties encountered by the Independent Auditor in the course of performing its audit work, including any restrictions on the scope of the Independent Auditor's activities or its access to information, and (2) any significant disagreements with management.
- Discuss with management (1) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting that are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, within the time periods specified in the SEC's rules and forms, and (2) any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.
- Evaluate related party transactions.
- Prepare or oversee the Committee report if required by Item 407(d) of Regulation S-K of the Exchange Act (or any successor provision) to be included in the Company's SEC filings.

6.5 Internal Auditors

- Oversee the internal audit function (which shall report directly to the Committee), regularly evaluating its appropriateness, structure, staffing, performance, responsibilities, budget, activities, and assessing the effectiveness in the context of the risk management framework.
- To regularly review and assess the internal audit programme and ensure that the internal audit function is appropriately resourced to deliver the programme.
- Meet at least quarterly with the leader of the internal audit function.
- Pre-approve any decisions by the Company regarding the appointment and/or removal of the leader of the internal audit function.
- To review the internal audit findings in relation to FIHL and the Fidelis Group including monitoring management's responsiveness to the findings and recommendations of the internal auditor.

6.6 Internal Controls and Risk Management Systems

- Assist the Board in assessing and providing oversight to management regarding the identification and evaluation of the Company's financial reporting and operational risks. The Committee's oversight shall be conducted in close coordination with the Investment and Risk Management Committees, which have primary responsibility for financial risk management.
- To review and approve the statements to be included in the Company's Annual Report on Form 20-F or Quarterly Report on Form 6-K, as appropriate, concerning certifications on internal controls and risk management.
- To review the Fidelis Group's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters recognising the overall 'whistle blowing' arrangements.

6.7 Earnings Press Releases

- Discuss with management the Company's quarterly earnings press releases (including any preliminary announcements of financial results), as well as financial information and earnings guidance provided to analysts and rating agencies, including, in general, the types of information to be disclosed and the types of presentations to be made (paying particular attention to the use of "pro forma" or "adjusted" non-U.S. GAAP information).

6.8 Complaints

- Establish, periodically review, and update as necessary, procedures for (1) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (2) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

7. Modification of Charter

This Charter, including the policies and procedures herein, may be modified at any time by the Board.

8. Conflicts of Interest

Any conflicts of interest must be notified as soon as an individual is aware. They will then either be required to leave the room or abstain from the vote. Any decision on the actions taken to manage the conflict is the responsibility of the Chair.