



Terms of Reference & Corporate Governance Guidelines of the Board of Directors of Enstar Group Limited

**As Amended and Restated by the Board of Directors
(May 5, 2022)**

These Terms of Reference & Corporate Governance Guidelines outline the role, operation, and structure of the Board of Directors (the “Board”) of Enstar Group Limited (the “Company”). References to the term “Group” shall mean the Company together with its subsidiaries and affiliates. In the event of a conflict between the Company’s Bye-laws (“Bye-laws”) and these Terms of Reference and Corporate Governance Guidelines, the Bye-laws shall govern.

ROLE OF THE BOARD OF DIRECTORS

1. Responsibilities

The Board’s primary responsibility is to oversee the effective management of the Group’s business in furtherance of the best interests of the Company. The Board therefore monitors and oversees the Company’s operations and strategic initiatives, sets and approves the Company’s risk appetite, ensures competent and robust risk management and the implementation of appropriate accounting and other internal controls. The basic duty of the directors is to exercise their business judgment in good faith and act in what they reasonably believe to be in the long-term best interests of the Company and its shareholders. In carrying out the duties of the Board, the directors shall act in accordance with all relevant and applicable legislative and regulatory rules. The Board recognizes that day-to-day management of the Company’s business is the responsibility of management and that the role of the Board is to oversee management’s performance of that function.

The Board’s duties and responsibilities include, without limitation, the following items:

Strategy Development

- (a) The Board is responsible for establishing the Company’s overall strategic direction in conjunction with executive management, whom the Board recognizes as a co-owner of the Company’s strategy. Executive management should present strategic plans for review and challenge, and the Board will discuss and review long-term strategic issues during its regular meetings.

Review of Financial Goals and Performance

- (b) The Board will review and approve the Group business plan annually. In addition, the Board reviews financial performance quarterly, in comparison to plan.

Transactions

- (c) The Board reviews significant mergers and acquisitions, portfolio acquisitions, dispositions and joint ventures within the Group. The Board may delegate its authority

to the executive officers to review, approve and/or finalize transactions in its discretion.

Risk Management

- (d) The Board sets and approves risk appetite aligned to the overall strategy and direction of the Company. The Board is ultimately responsible for ensuring that the Group has a robust enterprise risk management framework to identify, measure, manage, report and monitor risks that may affect the achievement of the Group's strategic, operational and financial objectives. The Board and its committees have risk oversight responsibility and are expected to play an active role in overseeing management of the risks the Company faces.

Solvency and Capital Planning

- (e) The Board is responsible for oversight of the Group's solvency and the Company's capital planning strategy. The Board will review the Group's solvency self-assessment annually. The Board should also review changes to the Company's capital or debt structure, including proposals for capital-raising activities or other issuances of Company securities.

Distributions to Shareholders

- (f) The Board shall set the Company's dividend policy and be responsible for declaring any distributions to shareholders in accordance with the Companies Act. The Board shall determine the amount of and approve the Company's repurchase of its outstanding shares or redemption of its outstanding debt securities.

Financial Reporting

- (g) The Board shall review the Company's annual consolidated financial statements and Annual Report on Form 10-K prior to its filing with the SEC. The Audit Committee shall review the Company's annual and quarterly consolidated financial statements

and all reports on Forms 10-K and 10-Q prior to filing with the SEC. The Board shall also ensure that the Group established and maintains appropriate accounting policies and internal controls over financial reporting, including through oversight of the Audit Committee and the Audit Committee's oversight of the Internal Audit function.

CEO and Other Executives

- (h) The Board is responsible for appointing the CEO and other executive officers of the Company, establishing their roles and responsibilities, and evaluating their performance annually.

Succession Planning

- (i) The Board shall ensure that the Company has appropriate succession plans in place for the Company's CEO and other key members of executive management, including through oversight of the Human Resources and Compensation Committee.

Executive Officer Compensation

- (j) The Board believes that the performance of the CEO and the other executive officers should be evaluated annually and as a regular part of compensatory decisions. The Board has delegated responsibility to the Human Resources and Compensation Committee to evaluate CEO and executive officer performance in the context of setting compensation and benefits, as set forth in its charter.

Equity Compensation

- (k) The Board and/or the Human Resources and Compensation Committee, as appropriate, shall approve the adoption or amendment of any compensation plans pursuant to which employees may receive share-based awards, including the allotment of shares of the Company under such plans. The Human Resources and Compensation Committee shall administer these plans, including grants

of share-based compensation.

Corporate Governance

- (l) The Board and/or the Nominating and Governance Committee shall establish and oversee the corporate governance framework and policies for the Group, and confirm the operating effectiveness of the Group's organizational, governance, and communications structures.

Compliance

- (m) The Board shall receive regular reporting on compliance matters and oversee the compliance framework and policies for the Group.

Environmental, Social and Governance

- (n) In coordination with its committees, the Board shall oversee and provide input to management on the Company's environmental, social and governance risks, strategies, policies, programs and practices.

2. Objective and Independent Judgement and Decision Making

The Board believes that it should operate in a manner supportive of objective and independent judgment and decision making. The Board therefore maintains appropriate governance procedures and practices to facilitate the same.

3. Delegation of Authority

The Board may discharge its duties directly or by delegation to a committee, executive officers, other members of management, and/or subsidiary boards of directors. To the extent that the Board delegates responsibilities reserved for it under the regulations, the Board will oversee and ratify key decisions that materially impact the Group's operations. Additional details on the role of each of the standing committees of the Board are set forth in such committee's charter.

4. Ethical Business Environment

The Board believes that the Company's long-term success is dependent on maintaining an ethical business culture that focuses on adherence to applicable regulatory and legal requirements and the Company's Code of Conduct and other company policies in effect from time to time. Each is subject to the Company's Code of Conduct.

5. Communications with the Board

Shareholders of the Company and other interested parties may direct communications to the entire Board, to the independent directors, or to a particular Board committee or individual director by mail to the attention of the Corporate Secretary at the Company's headquarters. The mail should specify the intended recipient or recipients. The Corporate Secretary will handle routine inquiries and requests for information. If the Corporate Secretary determines the communication is made for a valid purpose and is relevant to the Company and its business, the Corporate Secretary will forward the communication to the entire Board, to the independent directors, to the appropriate committee chairman or to the individual director as the notice was originally addressed. At each regular meeting of the Board, the Corporate Secretary will present a summary of all communications received since the previous meeting that were not forwarded and will make those communications available to the directors on request.

6. D&O Insurance

The directors are entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Company's Bye-Laws, Memorandum of Incorporation and any indemnification agreements.

BOARD LEADERSHIP

7. Board Chair

The Board will annually elect one Director to

serve as the Board's Chair. The Board has flexibility to determine whether the role of CEO and Board Chair are separated or combined based upon the Company's needs and the Board's assessment of the Company's leadership from time to time.

The Board Chair is responsible for the effective functioning of the Board. In addition to the rights and obligations of the Chair set out in the Bye-laws, the Chair assists with the Board's role in the execution of strategy and business plans, plays a prominent role in setting the Board's agenda, acts as the liaison between the Board and senior management, and presides at Board and Shareholder meetings. Subject to the Bye-laws, the Board may revise the role and powers of the Chair from time to time.

8. Lead Independent Director

If the Board's Chair is not an independent director, the independent members of the Board will designate an independent director to act as a Lead Independent Director based on the recommendation of the Nominating and Governance Committee. Except as the independent directors may otherwise determine, the Lead Independent Director shall be appointed for a term of three years (or less in the Board's discretion). The Nominating and Governance Committee shall oversee the process for selecting the Lead Independent Director.

The Lead Independent Director shall assume the following responsibilities:

- (a) preside at all meetings of the Board at which the Chair is not present, including executive sessions of the independent directors;
- (b) serve as a liaison between the Chair and the independent directors;
- (c) provide input into information sent to the Board;
- (d) review meeting agendas for the Board;
- (e) review meeting schedules to assure that

there is sufficient time for discussion of all agenda items; and

- (f) have the authority to call meetings of the independent directors.

BOARD COMPOSITION

9. Board Size

In accordance with the Bye-laws, the Company shall have no less than five and no more than 15 directors. The Board believes the size of the Board may fluctuate from time to time depending on circumstances and the needs of the Company.

10. Director Appointments

In accordance with and subject to the Bye-laws, the Board may appoint directors to fill vacancies and can recommend nominees for submission to shareholders for approval at the time of the Annual General Meeting. Directors appointed shall serve for a term expiring at the next Annual General Meeting following their appointment.

11. Director Qualification Standards

The Nominating and Governance Committee is responsible for recommending to the Board candidates to fill vacancies and newly created directorships, and candidates to be nominated by the Board for election as Directors at the Company's Annual Meeting of Shareholders.

In connection with the selection and nomination process, the Nominating and Governance Committee shall review the desired experience, mix of skills and other qualities to determine appropriate Board composition, taking into account current Board members and the specific needs of the Company and the Board. The Nominating and Governance Committee requires that each Director possess high personal and professional integrity and character, strong business judgement, the ability to represent the interests of the Company's shareholders, knowledge regarding insurance, reinsurance and investment matters, as well as other factors discussed below.

The Nominating and Governance Committee considers the following attributes of candidates for the Board in evaluating suitability:

- (a) relevant knowledge, diversity of background and experience in areas including extensive insurance industry experience, risk management, finance and accounting, investment, strategy, corporate governance, regulatory and government, business operations and technology (including cybersecurity), and human capital management;
- (b) personal qualities of leadership, character, judgment and whether the candidate possesses a reputation in the community at large of integrity, trust, respect, competence and adherence to the highest ethical standards;
- (c) roles and contributions valuable to the business community; and
- (d) whether the candidate is free of conflicts and has the time required for preparation, participation and attendance at meetings.

In addition, the Nominating and Governance Committee seeks to achieve diversity within the Board and adheres to the Company's philosophy of maintaining an environment free from discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, age, national origin, disability, veteran status or any protected category under applicable law. The Company maintains a formal diversity policy applicable to the selection of directors requiring the Nominating and Governance Committee to actively consider diversity (as defined in the policy) in its efforts to identify potential director candidates. Accordingly, the Nominating and Governance Committee is committed to actively seeking out highly qualified women and minority candidates, as well as candidates with diverse backgrounds, skills and experiences, to include in the pool from which Board nominees are chosen.

12. Shareholder Elections of Directors

As provided in and subject to the Company's By-laws, directors shall be elected at the Annual General Meeting of the Company's shareholders and each director elected shall serve for a term expiring at the next Annual General Meeting following their election.

The Bye-Laws provide for majority voting in uncontested elections of directors and plurality voting in contested elections. In uncontested elections, directors are elected by a majority of the votes cast, which means that the number of shares voted "for" a director must exceed the number of shares voted "against" that director.

13. Independent Directors

The Board will have as many independent directors as it considers appropriate from time to time, subject to applicable regulations and Nasdaq's listing standards requiring at least a majority of directors to meet Nasdaq's definition of "independent director". If, due to a resignation or other circumstance outside of the Company's control, the Board fails to have a majority of independent directors, the Board and the Nominating and Governance Committee will act as promptly as possible to identify and appoint independent directors or recommend other action to regain a majority. The Board assesses the independence of directors at the time of appointment and no less than annually thereafter.

For a director to be considered independent, the Board must determine that the director meets the definition of independence included in Nasdaq Marketplace Rule 5605(a)(2). This requires a determination that the Director does not have any direct or indirect material relationship with the Company, which in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making such determination, the Nominating and Governance Committee and the Board consider all known relevant facts and circumstances, including but not limited to the director's commercial, industrial, banking, consulting, legal, accounting, investment, charitable and familial relationships known or

reported to them.

14. Conflicts of Interest

Directors have an obligation to promptly disclose any potential conflict of interest to the Chairman of the Board and are expected to recuse themselves from any discussion or decision affecting their personal, business, or professional interests. The Company's policy on conflicts of interest is explained in the Code of Conduct, which the Board reviews annually.

15. Director Service on Multiple Boards

Every Board member should notify the Chairman prior to accepting any invitation to serve on another company's board. This will allow the Chairman and the Board member to review whether any significant conflicts of interest, antitrust issues, independence, or other issues are likely to arise, and to review the time commitments involved with the preference that directors should not, without advance permission of the Chairman, serve on more than two public company boards in addition to and concurrent with their service on the Board. The Corporate Secretary shall be involved in the review.

16. Director Orientation

The Nominating and Governance Committee oversees the orientation process for new directors. The Corporate Secretary will provide new directors with key written materials concerning the Company, its operations, and its policies and procedures. New directors will be offered the opportunity to meet members of senior management as part of the orientation process.

17. Continuing Education

The Board believes that the shareholders of the Company are best served by a board of directors comprised of individuals who are well versed in modern principles of corporate governance and other matters relevant to board service, including matters related to the reinsurance and insurance industry, and who thoroughly comprehend the

role and responsibilities of an effective board in the oversight and management of the Company.

To this end and in supplement to continuing director education provided by the Company's management team and external providers from time to time, all members of the Board are encouraged to attend such director education programs as they deem appropriate (given their individual backgrounds) to stay abreast of developments in corporate governance, the industry in which the Company participates, and 'best practices' relevant to their contribution to the Board generally as well as to their responsibilities in their specific committee assignments and other roles.

In order to encourage continuing director education, the Company shall reimburse directors for the reasonable costs of attending director education programs subject to the prior approval of the Board Chairperson. The Corporate Secretary will keep a log of all director trainings attended as such are notified to them by Directors from time to time.

Nothing in these Terms of Reference & Corporate Governance Guidelines shall be construed to require any Director to attend or participate in any director education program nor shall the failure of any Director to attend or participate in any such program be construed to suggest that such Director has failed to fully carry out his or her duties and responsibilities or is not well versed in matters relating to the role and responsibilities of an effective board of directors.

18. Director Compensation

Non-employee directors, Committee Chairs and the Board Chair shall receive reasonable compensation for their services, as may be determined from time to time by the Board upon recommendation of the Human Resources and Compensation Committee.

Compensation for non-employee directors, Committee Chairs and the Board Chair shall be consistent with the market practices of other similarly situated companies but shall not be at a

level or in a form that would call into question the Board's objectivity.

The Human Resources and Compensation Committee of the Board shall annually review and report to the Board with respect to director compensation.

Directors who are employees of the Company shall receive no additional pay, other than reimbursement of reasonable expenses incurred to attend Board and Committee meetings or trainings, for serving as directors of the Company.

19. Share Ownership Requirements

Non-employee directors and executive officers are expected to own a meaningful number of shares of stock in the Company to more closely align their economic interests with those of other shareholders. Accordingly, the Human Resources and Compensation Committee periodically reviews the Company's Share Ownership Guidelines for non-employee directors and executive officers. Directors and executive officers are prohibited from using any strategies or products (such as derivative securities or short-selling techniques) to hedge against the potential changes in the value of the Company's common stock.

20. Policies on Retirement and Term Limits

The Board does not believe that it should establish limits on the number of terms a director may serve. Term limits may cause the loss of experience and expertise important to the optimal operation of the Board. Directors who have served on the Board for an extended period of time can provide valuable insight into the operations and future of the Company based on their experience with and understanding of the Company's history and objections. However, to ensure that the Board continues to evolve and remains composed of high functioning members able to keep their commitments to Board service, the Nominating and Governance Committee will evaluate the qualifications and performance of each incumbent director and consider the results of the annual Board evaluation before

recommending the nomination of that director for an additional term.

The Board believes that 80 is an appropriate retirement age for non-employee directors. Non-employee directors will not be nominated for re-election at any annual shareholders meeting following their 80th birthday.

21. Composition Review

The Nominating and Governance Committee and the Board shall review the Board's membership no less frequently than every three years and upon a material change in the business activities or risk profile of the Group. The review shall take into consideration, amongst other factors, a determination that all directors remain fit and proper; that the Board has the requisite knowledge, skills and expertise given the nature, scale and complexity of the Group's operations; and that the Board and its members are operating effectively in discharging their duties and responsibilities.

BOARD MEETINGS

22. Meetings

The Board shall meet not less than four times per year. The Board believes that regular attendance is important, and all directors should use best efforts to attend as many meetings as possible. Directors are expected to attend Board meetings, the Annual General Meeting of Shareholders, and meetings of committees on which they serve, and to spend the time needed to meet as frequently as necessary to properly discharge their responsibilities.

23. Executive Sessions

The independent directors of the Board shall meet regularly in executive session (i.e., with only independent directors present). Executive sessions shall occur at least two times year, although it is the Board's practice to hold such sessions alongside its regularly scheduled meetings.

24. Agendas

Board and committee agendas and materials are established consistent with legal and regulatory requirements and the judgment of the Board in overseeing the Company. The Board believes that the Corporate Secretary should work with the Chairman, CEO, committee chairpersons, other members of executive management, as appropriate, to facilitate the management of the agenda-setting process. Board members are encouraged to suggest the inclusion of particular items on the agenda.

25. Dissemination of Key Information

The Board should receive information important to understanding presentations, discussions and issues covered at each meeting. The Board should periodically review the meeting materials to Board members to ensure that directors receive the right kind and amount of information from management. The Board has directed the Corporate Secretary to coordinate the meeting materials for the Board, drawing significant input from the Company's executive officers as appropriate.

26. Attendance of Non-Directors at Meetings

The Board may request that the CEO make specified members of management available to attend or present at Board meetings. The CEO will recommend to the Chairman a list of regular attendees, and requests from the Board to include other key senior officers from time to time will be considered by the Chairman and CEO.

27. Access to Management, Information and Resources

Board members have full access to members of management. Board members will use judgment to ensure that contact is not overly disruptive to the business operations of the Company. In addition, the Board shall have the authority and ability to conduct investigations with access to books, records, facilities, and personnel of the Company. The Board may retain independent counsel and other advisors as it determines to be

necessary or advisable in connection with the discharge of its duties and responsibilities, and the Company shall provide adequate funding for such engagements. The Company shall pay the ordinary administrative expenses of the Board that are necessary or appropriate in carrying out its duties.

28. Board Evaluation

The Board shall conduct a formal self-assessment on at least an annual basis, and directors may offer criticism and suggestions to improve the Board's performance on an ongoing basis. The Board shall direct each of its committees to conduct self-assessments as well. Each director is also asked to provide, from time to time in the Nominating and Governance Committee's discretion, individual assessments and feedback on their performance. These individual assessments shall be summarized for discussion with the Nominating and Governance Committee. In addition, as discussed above, the ability of incumbent directors to contribute to the Board is considered in connection with the re-nomination process. The Nominating and Governance Committee is responsible for oversight of the self-evaluation process including determining the method by which it shall be conducted each year.

BOARD COMMITTEES

29. Committee Structure

The Board establishes and maintains sufficient committees to allow for the effective discharge of its responsibilities. The Board may create and disband committees depending on the particular interest of the Board, issues facing the Company, and legal and stock exchange requirements. The Board shall at all times have an Audit Committee, Human Resources and Compensation Committee, and Nominating and Governance Committee. The Board also currently has a Risk Committee, Investment Committee, and an Executive Committee. Each committee shall have its own charter that sets forth the purposes, goals and responsibilities of the committee as well as qualifications for committee membership,

committee structure and operations and committee reporting to the Board.

30. Committee Composition

The Audit Committee, Human Resources and Compensation Committee, Nominating and Governance Committee and Risk Committee must consist solely of independent directors and meet other membership criteria set forth in their respective charters. The Investment Committee shall have at least two Company directors (who are not required to be independent directors) but shall not have any additional constraints on committee composition unless otherwise required by applicable legal or stock exchange requirements. The Board reviews the

composition of its committees no less frequently than every three years and upon a material change in the business activities or risk profile of the Group.

31. Committee Rotation

The Board does not believe that a formal committee rotation policy is necessary at this time. The formal self-assessments conducted by the Board and each committee are intended to identify strengths and weaknesses of these committees and the Board may seek to alter committee composition from time to time if it deems it appropriate.