

Fidelis to Separate its Business to Create New Managing General Underwriter

25 Jul 2022

HAMILTON, BERMUDA— 25 July 2022— Fidelis Insurance Holdings Limited (“**Fidelis**”) is pleased to announce its intention to create a new Managing General Underwriter (the “**Fidelis MGU**”) which, subject to regulatory approval, will be separated from the existing balance sheet insurance companies (the “**Fidelis Balance Sheet Companies**”). This new structure will allow each entity to focus on its core functions and specialisms, and provide clients, brokers and other stakeholders with continued levels of industry-leading service.

The Fidelis MGU’s principal equity investors will be Capital Z Partners, The Travelers Companies, Inc., Blackstone, Further Global Capital Management and Alfa Insurance. In addition, Blackstone will be leading the debt financing. The newly created Fidelis MGU will be one of the largest managing general underwriters globally, with plans to originate and underwrite over \$3 billion of gross written premium across a range of specialty insurance and reinsurance classes of business.

Upon separation, it is intended that the Fidelis MGU will provide a comprehensive range of services to the Fidelis Balance Sheet Companies, retaining its industry-leading underwriters and attracting additional talent across the broader Fidelis business. From a client, broker and reinsurer perspective, it is expected that there will be no changes to the way in which Fidelis currently conducts its underwriting from the offices in Bermuda, London and Dublin. The focus will remain on exceptional client service, responsiveness and innovation, which will be core to the Fidelis MGU going forward as it provides its services to the Fidelis Balance Sheet Companies. The Fidelis MGU and Fidelis Balance Sheet Companies will continue to underwrite with the same risk appetite, across the three main Fidelis business pillars, including Bespoke, Reinsurance and Specialty. The transaction is expected to bring significant benefits to both businesses, with increased flexibility to quickly respond to evolving insurance and reinsurance market conditions and helping to sustain Fidelis’s market-leading underwriting results through access to top talent.

Pending regulatory approval, the Fidelis Balance Sheet Companies are expected to benefit from providing long-term capacity for the Fidelis MGU along with a number of mechanisms to ensure alignment among the separated companies. All of the capital and risk transfer resources currently available to Fidelis brokers and clients will continue to be available, ensuring a seamless transition from the current to new structure.

The Fidelis MGU will be led by Richard Brindle, who will act as Chairman and Chief Executive Officer of the MGU. A number of leading executives from the senior Fidelis team will be retained by the Fidelis Balance Sheet Companies.

This transaction and the launch of the Fidelis MGU is subject to a number of regulatory approvals and transaction steps.

Richard Brindle, Chairman, Group Chief Executive Officer and Chief Underwriting Officer of Fidelis, said: “We are delighted to announce this ground-breaking transaction. The balance sheet companies will have access to our market leading underwriting talent and risk origination, with appropriate structures in place to ensure alignment. I have built my career on underwriting excellence with the support of stable capital providers – from Tarquin to Lancashire and now Fidelis – which will be continued through this transaction. Built on the best talent in the market, we are creating an MGU platform that will generate attractive returns for the shareholders of both of the separated businesses. Our success will be defined by

the continued delivery of underwriting outperformance, aligned with our long-term philosophy of writing insurance and reinsurance in areas where deep expertise is required to deliver through the cycle. We look forward to the start of a long term and successful partnership between the companies”.

Fidelis is being advised on the transaction by Evercore Partners International LLP, Kinmont, Willkie Farr & Gallagher (UK) LLP and PricewaterhouseCoopers LLP. Fidelis’s management team is being advised on the transaction by Mishcon de Reya LLP and BDO LLP. Capital Z Partners, The Travelers Companies, Inc. and Further Global Capital Management are being advised on the transaction by Skadden, Arps, Slate, Meagher & Flom LLP. Blackstone is being advised on the transaction by White & Case LLP and Freshfields LLP.

This press release contains statements around the Company’s objectives, intentions and expectations in relation to planned transactions, potential strategic alternatives and business structure generally. Such forward-looking statements are subject to regulatory and related approvals and involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

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