



Code of Conduct

INTRODUCTION

The reputation of FedNat Holding Company and its wholly owned subsidiaries (collectively, the “Company”) is an invaluable asset that each employee of the Company plays a role in preserving. Existing or potential new customers consider this reputation in deciding to do business with us, employees use it in deciding to continue employment or start a career with the Company, and it is an important ongoing consideration for our investors. Our Company’s Code of Conduct (the “Code”), which is rooted in our values, sets behavioral standards for our people, states what we expect of ourselves and each other, and confirms our commitment to conducting business in accordance with all applicable laws.

This Code applies to every employee, officer, and director of the Company and all of the Company’s subsidiaries, including FedNat Insurance Company, and other affiliates. All of these individuals are included in the term “employee” used throughout the Code. Each of us, as employees, is expected to read and understand this Code and the underlying Company policies that support it and are available on the Company’s internal website. If you are ever uncertain whether a particular action is either prohibited by or covered by this Code, it is your responsibility to contact the Vice President of Internal Audit to ensure you are in compliance.

In addition, from time to time, the Company may enter into joint ventures or other transactions with third parties whereby Company employees have a significant role in the management, operations and financial reporting of such third parties (referred to in this Code as “Company Affiliates”). Attached to this Code as Schedule 1 is a list of all Company Affiliates as of the date hereof; Schedule 1 may be updated periodically. It is the Company’s policy that all of the policies and guidelines set forth in this Code apply also to all activities of Company employees for any Company Affiliates.

Adherence to the Code of Conduct is a condition of employment. Only the Board of Directors may approve a waiver of the Code and if necessary, any waiver will be promptly disclosed as required by law.

POLICY OWNER

Chief Executive Officer (“CEO”)

RESPONSIBILITY

Our Code is administered by our Company’s named Executive Officers and the Vice President of Internal Audit. All employees are required to sign and certify that they have read and understand the Code’s requirements.

The Company’s Vice President of Human Resources is responsible for distributing the current Code of Conduct on at least a biennial basis and obtaining a signed copy back from each employee to be placed in the employee’s file. This is intended to refresh the Code principles with each employee and ensure that employees have reviewed a current copy of the Code. The Vice President of Human Resources is also responsible for ensuring that all new employees have read, understand, and have signed a copy of the Code before their employment with the Company begins.



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Each of us bears responsibility under this Code for speaking up if we suspect a possible Code violation. Employees must promptly report any possible violations of the Code to the Company's Vice President of Internal Audit or a named Executive Officer. If a potential violation involves an accounting or financial reporting issue, the violations should be reported to the Company's Audit Committee following the process included in the Whistleblower Policy available on the Company's internal website. Additionally, all executives and senior officers must notify either the Vice President of Internal Audit or a named Executive Officer and the Audit Committee of any known violation of the Company's Code of Conduct. This includes any actual or apparent conflicts of interest between personal and professional relationships involving management or other employees who have a significant role in the Company's financial reporting or internal controls.

Commitment to Non-Retaliation

Retaliation is a violation of this Code. We will not tolerate retaliation against any employee who speaks up in good faith to raise a concern, reports a known or suspected Code violation, or participates in an investigation of a possible Code violation. "Good faith" means you have provided all the information you have and believe it to be true.

Responding to Code Violations

We will investigate promptly any concern raised under our Code. We will act swiftly if we find our Code has been violated. In addition to stopping and correcting any improper conduct, we will take appropriate disciplinary measures against any employee who violates our Code, up to and including termination of the person's employment. In appropriate cases, we also will protect our business and our people through legal proceedings and/or referrals to law enforcement. Appropriate action, including termination of a business relationship, referral for criminal prosecution or civil proceedings, may be initiated against vendors, claimants, agents or other third parties who participate in a violation of any provision of this Code.

In the event of violations of the Code by members of the Board of Directors or named Executive Officers of the Company, the Board of Directors will determine, or designate persons to determine, appropriate actions to be taken. Named Executive Officers will determine, or designate persons to determine, appropriate actions to be taken in the event of violations of the Code of Conduct by any other employee of the Company.

RESPECT

Diversity and Non-Discrimination

We value the diversity of our employees. We are expected to treat each other with respect and dignity and to provide a work environment free from intimidation and harassment. Harassment is any form of inappropriate conduct toward another person that has the purpose or effect of creating an intimidating, hostile, or offensive work environment. This includes physical actions and both verbal and written remarks, whether done by an employee or a non-employee.

We are committed to equal opportunity for all qualified people. Discrimination against any employee or applicant for employment is prohibited by law and by policy. Any employment decisions should not consider any individual's race, color, sex, sexual orientation, gender identity, religion, national origin, age, marital status, physical disability, veteran status, or these characteristics in an individual's relatives, friends or acquaintances.



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Health and Safety

We are committed to maintaining a safe and healthy workplace. To do so, we must follow safe working procedures at all times and actively work to prevent accidents. If you are aware of unsafe working conditions or have a safety concern, report it immediately to the Human Resources Department.

Workplace Violence

As part of our commitment to health and safety, we also expect our employees to foster an environment free of violence. The Company does not tolerate violent behavior or threats of violence, even if made jokingly. Immediately report acts or threats of violence in our workplace to the Human Resources Department. If you feel that you or another person is in immediate danger, call 911.

Drugs and Alcohol

We must foster a work environment free of drugs and alcohol, as these substances hinder judgment, compromise physical abilities, and imperil the health and safety of the person using the substance and all others in proximity.

Protection and Proper Use of Company Property

We must treat our Company's assets, which have been gained through the hard work of many individuals over the years, with respect and care, and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes. Company equipment should not be used for non-Company business, although incidental personal use may be permitted in some circumstances.

Employees should not requisition Company property, funds or personnel or use Company time, facilities or equipment for personal use without proper authorization. Our shareholders and the public are entitled to rely upon the assurance that the Company assets and the skills of its personnel are not being used for the personal benefit of any executive or other employee. Any exceptions must be properly authorized with appropriate provision being made for reimbursement to the Company.

Customer Privacy

The trust of our customers is our Company's most valuable asset. We safeguard that trust by keeping non-public personal information about customers in a secure environment and using that information in accordance with our Privacy Policy. Employees are responsible for safeguarding the privacy, confidentiality and security of customer data entrusted to the Company. This means that customer records and information must remain secure and confidential and employees should protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any insured.

Confidential and Proprietary Information



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We have a duty to protect confidential and proprietary information, such as financial data and internal procedures regarding the way we do business. Employees should maintain the confidentiality of information available to them through the Company or an insured, except when the Company authorizes disclosure or it is legally mandated. This includes disclosures to the public via Internet forums or other means of electronic communication, including social media, “chat rooms”, “blogs”, personal Web pages, or electronic bulletin boards. Employees should review the Company’s Social Networking Policy found within the Employee Handbook for more guidance on the use of social media.

Confidential information should not be used for personal advantage. Confidential information includes all financial and other records and non-public information about the Company and its insured’s that, if disclosed, might be of use to competitors, or harmful to the Company or its insureds.

Information about the Company, unless previously released to the public, is considered private and confidential. All manuals, procedures, reports, papers, or other documents relating to the business of the Company, obtained while employed by the Company, are the Company’s property and must be returned at the Company’s request, and in any event on termination of employment.

FAIRNESS

Conflict of Interest

We must act fairly in everything we do. Our obligation to conduct business in a fair manner means we must avoid actual or apparent conflict of interest. A “conflict of interest” occurs when an individual’s private interest interferes in any way, or even appears to interfere, with the interests of the Company. A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when an employee or a member of his or her family, receives improper personal benefits because of his or her position in or with the Company. Any employee who becomes aware of a conflict or potential conflict of interest or any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest should bring it to the attention of the Company’s Vice President of Internal Audit or a named Executive Officer.

The rules applicable to the most common conflict of interest situations follow.

Suppliers

Employees and members of their immediate families must not have any financial interest, direct or indirect, in any of the Company’s suppliers. “Supplier” means anyone supplying (or anyone who is seeking to supply) goods, supplies, equipment or services to the Company. However, the ownership of a small minority stock interest in a publicly owned company whose shares are traded through normal markets is not considered in the ordinary case as giving rise to a conflict of interest.

Gifts and Gratuities

Employees and members of their immediate families must not request or accept gifts, gift certificates, discounts, gratuities, or any other item of value (including services) of any



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nature from the Company's suppliers unless approved by a named Executive Officer who has determined in advance that there will be no conflict of interest involved.

Additionally, you may only give a business related gift of greater than nominal value to an existing or potential vendor, agent, or business partner if you have received approval in advance from a named Executive Officer.

There is a conflict of interest only when favors, gifts, etc., become more than nominal and casual within the framework of an individual's business activities. Invitations to lunch, dinner, or other such minor favors that are normal and have no special significance attached to them are not considered as giving rise to any conflict of interest. You do not need to obtain prior approval for these situations. Examples of these types of gifts include outside parties providing food for departmental staff or the office, taking staff level employees out to lunch, or taking managers out to dinner.



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Business Opportunities

Employees and members of their immediate household and family are not allowed to receive advantageous pricing, financial arrangements, commissions, or other business opportunities from any business partner, policyholder, vendor or supplier of the Company.

Employees, officers and directors of the Company are prohibited from:

- Taking opportunities for themselves that are discovered through the use of the Company's property, information or position, without the consent of a majority of the disinterested members of the Board of Directors;
- Using the Company's property, information or position for improper personal gain; or,
- Competing with the Company directly or indirectly.

Employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

Outside Positions

Employees must disclose if a member of their immediate family or household holds a position that can influence decisions at or interacts with individuals in authority at a company that directly competes with or does business with the Company. In addition, employees must disclose if they serve as a director, trustee, officer, or similar position (paid or otherwise) of any business, other than with the Company or one of its subsidiaries. The disclosure requirement does not apply to educational, charitable, religious, public, political, or social organizations or to residential boards if activities are not in conflict with the Company's interests.

Family Members Providing Service to the Company

Employees must disclose to the Company's Vice President of Internal Audit or a named Executive Officer all instances in which they seek to hire or engage a family member or a family member's firm to provide goods or services to the Company.

The Company has a policy that any transactions between the Company and executive officers, directors, principal shareholders or their affiliates take place on an arms-length basis and require the approval of a majority of our independent directors.

Fraternization

Employees are encouraged to develop good working relationships and share a spirit of teamwork and camaraderie. The Company strongly discourages close personal, romantic or sexual relationships between a manager or other supervisory employee and their direct and indirect reports. Such relationships tend to create compromising conflicts of interest or the appearance of such conflicts leading to unforeseen complications. In addition, such close personal relationships may give rise to the perception by others that there is favoritism or bias in employment decisions affecting the employee. Given the uneven balance of power within such relationships, consent by the employee is suspect and may be viewed by others or, at a later date, by the employee as having been given as the result of coercion or intimidation. The atmosphere created by such appearances of bias, favoritism, intimidation, coercion or exploitation undermines the spirit of trust and mutual respect that is essential



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to a healthy work environment. If there is such a relationship, employees should be aware that one or both may be moved to a different department, or other actions may be taken.

Employees of the Company who enter into a consensual relationship that is romantic or sexual in nature with an employee who is a direct or in-direct report or if one of the employees is in a supervisory capacity in the same department in which the other employee works, the employees must notify the human resource manager or vice president and their department head. Due to potential issues regarding quid pro quo or hostile work environment harassment, the Company has made reporting mandatory.

Employees with access to private personal and confidential information about other employees, employees who are in non-direct supervisory or non-management positions but who are in positions to recommend or make determinations about an employee's work or performance and or effect an employee's compensation direct or indirectly (having influence over the employee's supervisor), should refrain from entering into a close personal relationship that is romantic or sexual in nature.

Once a relationship is made known to the company human resources will review the situation with the most senior management of the affected departments in light of all the facts (reporting relationship between the employees, effect on co-workers, job titles of the employees, etc.) and will determine whether one or both employees need to be moved to another position or department. If it is determined that an employee must be moved, and there are positions in other departments available for both, the employees may decide who will be the one to apply for a new position. If the employees cannot amicably come to a decision, or the employee is not chosen for the position to which he or she applied, the employees will contact human resources, which will decide which employee should be moved. That decision will be based on which move will be least disruptive to the organization as a whole. If it is determined that one or both parties must be moved, but no other positions are available for either employee, the employees will be given the option of severing their relationship or resigning.

Competition and Fair Dealing

Anti-trust laws are designed to preserve a level playing field for businesses by prohibiting any practice or agreement with a customer, competitor, or anyone else that restricts competition and restrains trade. Each employee must make business decisions using independent judgment and avoid even the appearance of agreeing with a competitor to limit the way we compete with one another. For this reason, contact with competitors must be kept to a minimum.

Fair Purchasing

All of our Company's purchases are made on the basis of quality, suitability, service, price and efficiency. Our Purchasing Policy and Procurement Guidelines, which are located on the Company's internal website, include guidance on how we should conduct all purchasing activities. All contracts and agreements entered into by the Company must comply with applicable laws and regulations.

HONESTY AND INTEGRITY

Business Ethics and Compliance with the Law



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The Company's employees should act ethically and in good faith, with honesty and integrity, when acting on behalf of the Company or in connection with the Company's business or operations.

Employees of the Company must respect and obey the laws of the jurisdictions in which the Company operates. The Company has an Insider Trading Policy, available on the Company internal website, that addresses federal securities laws and trading in the Company's securities, which employees should review. Any employee who is unsure about any aspect of these laws should seek advice from officers, supervisors, managers or other appropriate personnel.

It is the policy of the Company to comply with the letter and spirit of all applicable laws. All of our relationships with governmental and community officials must be conducted in strict observance of applicable laws. Not only should there be no violation of law, but conduct, which could be embarrassing to the Company, if it should be brought to public attention, must also be avoided.

Books and Records

Information is one of our Company's most valuable assets. Our records are used to advise our shareholders about our financial results, to make required legal filings, and to make business decisions on a day-to-day basis. As a result, we must ensure the following:

Accuracy and Completeness

Employees must ensure that the accounting and financial records of the Company meet the highest standards of accuracy and completeness.

Financial Statements and Accounts

Employees who are involved in the preparation of reports and documents that the Company files with or submits to the Securities and Exchange Commission or that are otherwise public communications have a responsibility to promote full, fair, accurate, timely and understandable disclosure.

Retention of Documents

Employees must retain all documents (including computer records) in their custody or control that relate to any imminent or ongoing investigation, lawsuit, audit or examination involving the Company.

Inside Information

We have a commitment to our stakeholders to comply with applicable securities laws and regulations. As such, the Company's Insider Trading policy, which can be found on the Company's internal website, does not allow employees to use for personal advantage, or enable others to use, information that employees acquire during the course of their employment with the Company that has not been publicly disclosed ("Inside Information"). For example:

- the operating or financial results of the Company or any of its subsidiaries;
- the Company's negotiations or agreement for a significant acquisition or sale or other transaction;
- development of new products, services, or markets;
- an increase or decrease in dividends;



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- a stock split or a purchase by the Company of its securities; or
- significant management changes.

Trading in Company stock or in the stock of any other corporation on the basis of material Inside Information, by an employee or by others who have acquired Inside information from an employee, in addition to raising obvious ethical considerations, subjects the user to civil and criminal charges and exposes the Company to embarrassment and potential liability. Therefore, employees must not use Inside Information for personal gain or disclosing Inside information to outsiders, either intentionally or inadvertently, under any circumstances, whether during business hours or at informal after-hours discussions. The failure of an employee to follow the Company's policy on the use and sharing of Inside Information could result in the disciplinary action up to and including termination.

Information stops being Inside Information when it has been effectively disclosed to the public by, for example, a press release, a newspaper article, or a filing with the Securities and Exchange Commission, followed by a reasonable waiting period for the information to be understood by the marketplace.

Communicating Openly and Honestly

Each employee should attempt to deal fairly with the Company's insureds, agents, business partners, competitors, and employees. An employee should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice in connection with the Company's business. You may not make any knowingly false, misleading, inaccurate, or unsubstantiated statement about the products or services of a competitor, agent, supplier, customer, or other third party. Additionally, only authorized employees can make public announcements on behalf of the Company to the media, external groups, or within social media channels.

Political Activities

Employees are encouraged to participate in political activities and in the political process; however, care should be taken to ensure that the Company is not associated with individual employee activities. Your contributions to a candidate for elective office or a political party must not be, or appear to be, reimbursed using Company's funds or assets.

Employees may not use their position to coerce or pressure other employees to make contributions or support candidates or political causes.

Money Laundering Prevention

Each employee must actively guard against the use of the Company's products and services for purposes of money laundering or for the financing of terrorism or other criminal activity.

Cooperating with Investigations, Examinations, and Audits

You may be asked by a Company supervisor, manager, or executive to participate in an internal or external investigation, audit or examination. If you are asked to participate in such a matter, it is your responsibility to cooperate fully, follow applicable procedures for communicating externally as provided by a Company supervisor, manager or executive, and respect requested confidentiality.



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DISCIPLINARY ACTION

Those who violate the standards in this Code or any applicable law or regulation, will be subject to disciplinary action, including dismissal.

RECEIPT AND SIGNING OF DOCUMENT:

We must all work to ensure prompt and consistent action against violations of this Code. Employees are encouraged to contact the Vice President of Internal Audit or a named Executive Officer or talk to other appropriate personnel about observed illegal or unethical behavior or violations of this Code. If an individual desires, a claim of a possible violation may be made anonymously using the process described in the Whistleblower Policy. Confidentiality will be provided to all individuals in the handling of a potential violation.

Each recipient of this statement shall acknowledge receipt and understanding of, and compliance with, the contents of this statement by dating and signing a copy and returning it promptly to his/her immediate supervisor who will in turn forward it to the Vice President of Human Resources.

[ACKNOWLEDGMENT ON FOLLOWING PAGE]



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By my signature below, I acknowledge that I have received a copy of FedNat Holding Company's Code of Conduct Policy. I acknowledge that I am expected to have read the Policy and comply with the contents of the Policy. I further acknowledge that I have been given the opportunity to ask any questions I might have regarding the Policy and that this Policy can be updated at any time, for any reason.

Printed Name

Signature

Date



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Schedule 1

Company Affiliates as of December 2020

Southeast Catastrophe Consulting Company, LLC