

## ENHABIT, INC.

### CHARTER OF THE AUDIT & FINANCE COMMITTEE OF THE BOARD OF DIRECTORS

#### **Purpose**

The purpose of the Audit & Finance Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Enhabit, Inc. (the “**Company**”) is to assist the Board with oversight of: the integrity of the Company’s financial statements, compliance with legal and regulatory requirements, the Company’s independent registered auditors’ qualifications and independence, the performance of the Company’s independent registered auditors and the internal audit function.

#### **Membership**

*Number.* The Committee will consist of three or more directors.

#### *Qualifications.*

- 1) Each Committee member must be independent in accordance with the rules of any exchange on which the Company’s securities are traded, any applicable law and the Company’s Corporate Governance Guidelines.
- 2) Each Committee member must be financially literate, as determined by the Board. At least one member of the Committee must have accounting or related financial management expertise, as determined by the Board. At least one member of the Committee should be an “audit committee financial expert” in accordance with applicable law.
- 3) No member of the Committee may simultaneously serve on the audit committee of more than two other public companies.

*Appointment.* The Board will appoint the members and the Chair of the Committee based on recommendations made by the Company’s Nominating & Corporate Governance Committee. Committee members will serve at the pleasure of the Board and for such terms as the Board may determine.

#### **Duties and Responsibilities of the Committee**

The Committee shall perform any duties or responsibilities required by law, the Certificate of Incorporation or Bylaws of the Company or that are delegated to the Committee by the Board from time to time. The Committee to the extent it deems necessary or appropriate, shall:

#### *Financial Reporting*

- 1) review and discuss with the Company’s independent auditors and management the Company’s quarterly financial statements and annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements, and the disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s quarterly report on Form 10-Q or annual report on Form 10-K before it is filed, as appropriate.

- 2) recommend to the Board that the financial statements be included in the Company's Form 10-K and produce the audit committee report required to be included in the Company's proxy statement.
- 3) review with the Company's independent auditors and management the adequacy and effectiveness of the Company's internal controls, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's internal controls and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such internal controls.
- 4) review and discuss with the independent auditor and management the Company's annual report on internal controls report over financial reporting and the independent auditor's attestation report prior to the filing of the Company's Form 10-K.
- 5) review with the Company's independent auditors and management (a) any significant issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles, (b) any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative GAAP methods on the financial statements, and (c) the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.
- 6) review and discuss with management the Company's earnings press releases.
- 7) review and discuss with management any financial information and earnings guidance provided to analysts and ratings agencies, including the type of information to be disclosed and type of presentation to be made.
- 8) review and discuss with management and the internal audit department the risks faced by the Company and the policies, guidelines and process by which management assesses and manages the Company's risks, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- 9) review and discuss such other matters that relate to the accounting, auditing and financial reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above.

### ***Independent Auditor***

- 10) (a) select and retain an independent registered public accounting firm to act as the Company's independent auditors for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting, (b) set the compensation of the Company's independent auditors, (c) oversee the work done by the Company's independent auditors, and (d) terminate the Company's independent auditors, if necessary.
- 11) (a) approve all audit engagement fees and terms; (b) pre-approve all audit and permitted non-audit and tax services that may be provided by the Company's independent auditors; and (c) establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditors on an ongoing basis.

- 12) review and discuss with the Company's independent auditors (a) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (b) the overall audit strategy, (c) the scope and timing of the annual audit, (d) any significant risks identified during the auditors' risk assessment procedures, and (e) when completed, the results, including significant findings, of the annual audit.
- 13) at least annually, obtain and review a report by the Company's independent auditors that describes (a) the accounting firm's internal quality control procedures, (b) any significant issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (c) all relationships between the firm and the Company or any of its subsidiaries. The Committee will discuss with the independent auditors this report and any relationships or services that may impact the objectivity and independence of the auditors.
- 14) at least annually, (a) evaluate the qualifications, performance and independence of the Company's independent auditors, including an evaluation of the lead audit partner, (b) assure the regular rotation of the lead audit partner at the Company's independent auditors, and (c) consider regular rotation of the accounting firm serving as the Company's independent auditors. In making its evaluation, the Committee should consider the opinions of management and the principal internal auditor officer. The Committee should present its conclusions with respect to the independent auditor to the Board.
- 15) review and discuss with the Company's independent auditors and management (a) any audit problems or difficulties, including difficulties encountered by the Company's independent auditors during their audit work (such as restrictions on the scope of their activities or their access to information), (b) any disagreements with management, and (c) management's response to these problems, difficulties or disagreements.
- 16) resolve any disagreements between the Company's auditors and management.
- 17) discuss with the independent auditors of the Company any significant communications between the audit team members and the independent auditor's "national office" regarding auditing or accounting issues presented by the engagement.
- 18) set Company hiring policies for employees or former employees of the Company's independent auditors.

### ***Internal Audit***

- 19) review and approve (a) the functions of the Company's internal audit department, including its purpose, authority, organization, responsibilities, budget and staffing, (b) the scope and performance of the department's internal audit plan, including the results of any internal audits, any significant reports to management and management's response to those reports and (c) the hiring, compensation and dismissal of the principal internal audit officer. The Committee should also discuss these matters with the Company's independent auditors and management.

### ***Legal and Regulatory Compliance***

- 20) review with the general counsel's team (and outside legal counsel as deemed necessary) legal and regulatory matters, including legal cases against or regulatory investigations of the Company, that could have a significant impact on the Company's financial statements.
- 21) establish and oversee procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.
- 22) discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.

### **Meetings**

The Committee will meet as frequently as it may determine necessary to carry out its responsibilities as set forth herein but not less than four times per year. The Chair of the Committee should, in consultation with the other members of the Committee, the Company's independent auditors and the appropriate officers of the Company, be responsible for calling meetings of the Committee, establishing the agenda therefor and supervising the conduct thereof. Any Committee member may submit items to be included in the agenda. Meetings and actions of the Committee will be governed by the same rules applicable to the Board, in accordance with the Company's Bylaws and Corporate Governance Guidelines.

Meeting agendas and materials should be distributed to the Committee members in advance of the meeting. Following each meeting, a report of the Committee's activities and recommendations should be presented at the next regularly scheduled meeting of the Board.

The Committee may request any officer or employee of the Company or the Company's outside legal counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee should meet with the Company's management, the internal auditors, and the independent auditors periodically in separate private sessions to discuss any matter that the Committee, management, the independent auditors or such other persons believe should be discussed privately. The Committee will also meet regularly without such individuals present.

### **Resources and Authority**

The Committee will have the resources and authority appropriate to discharge its responsibilities as required by law, including the authority to engage independent counsel and other advisors as the Committee deems necessary to carry out, oversee and terminate its duties. The Committee may also, to the extent it deems necessary or appropriate, meet with the Company's investment bankers or financial analysts who follow the Company.

The Company will provide for appropriate funding, as determined by the Committee, for payment of (a) compensation to the Company's independent auditors engaged for the purpose of rendering or issuing an audit report or related work or performing other audit, review or attest services for the Company, (b) compensation to independent counsel or any other advisors employed by the Committee

and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### **Annual Review of Charter**

The Committee will conduct and review with the Board annually an evaluation of the adequacy of this Charter and recommend any changes to the Board. The Committee may conduct this charter evaluation in such manner as the Committee, in its business judgment, deems appropriate.

### **Delegation**

The Committee will have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

### **Annual Performance Evaluation**

The Committee will annually conduct and review with the Board an evaluation of the Committee's performance as a part of the Board's self-evaluation process. The Committee's evaluation may be conducted in such manner as the Committee, in its business judgment, deems appropriate.

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While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor. Nothing contained in this Charter is intended to alter or impair the operation of the "business judgment rule" as interpreted by the courts under the Delaware General Corporation Law. Further, nothing contained in this Charter is intended to alter or impair the right of the members of the Committee to rely, in discharging their oversight role, on the records of the Company and on other information presented to the Committee, the Board or the Company by its officers or employees, or by outside experts.

*[Adopted by the Board of Directors on May 7, 2024]*