



2023 REPORT

SUSTAINABLE MOMENTUM

Environmental, Social & Governance

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SUSTAINABLE MOMENTUM

Argo Group*'s dedication to environmental, social and governance (ESG) issues is the natural progression of a company that is always moving forward. As providers of property/casualty insurance and managed risk solutions, Argo delivers underwriting expertise that propels its partners toward success.

Culture & Values

Argo's employees embody the Core Values that drive our behaviors and make positive change possible.



THE ENTREPRENEURIAL SPIRIT



DOING THE RIGHT THING



COLLABORATING



RESPECTING EACH OTHER

*Throughout this report, "Argo" or "Argo Group" or "the company" or "we" refers to Argo Group International Holdings, Ltd. Unless otherwise noted, all data is as of December 31, 2022, and covers our entire operation.

**Argo Group is always
moving forward.**

FROM OUR LEADERSHIP



Message from
Marcus Foley
Chief Risk Officer

ESG is important to Argo Group. As the incoming Chief Risk Officer, I look forward to continuing to embed ESG into the day-to-day operations and responsible underwriting practices of the company. Key 2022 achievements are outlined below.

- **We continued our commitment to our U.N. Sustainable Development Goals**, which influences ESG objective setting.
- **We achieved our greenhouse gas annual targets** across Scope 2 and Scope 3 disclosures.
- **Our Employee Resource Groups (ERGs) remain a core focus** of our diversity and inclusion programs.
- **Our climate risk management framework continues to evolve** with the use of proprietary long-term climate change models.
- **Our MSCI ESG rating has moved from “BB” to “AA”**, which reflects the progress Argo has made in recent years.
- **We delivered two phases of research into clean energy transition-related insurance opportunities**, partnering with the Office of Risk Management and Insurance Research at the University of Illinois, Urbana-Champaign.
- **Our ClimateWise Report has been further developed and matured**, aligning with the Task Force on Climate-Related Financial Disclosures.

In recognition of our culture of responsible governance, Argo Group received an award from Insurance ERM and was shortlisted for an award from CIR magazine.

With the success of last year behind us, we approach the future with clear-eyed optimism and a commitment to make even more progress toward our goals, propelling ourselves forward in our sustainability journey.



Message from
Thomas A. Bradley
Chief Executive Officer

Argo Group is harnessing the power of environmental, social and governance (ESG) frameworks to drive decision-making and influence the way we do business. As this report will demonstrate, the internal and external changes in the last year have only strengthened our commitment to ESG.

- Argo is anchored to its core purpose of “helping businesses stay in business.”
- The company is taking action today to define the anticipated risks of tomorrow.
- By continuing to listen to and partner with our clients and stakeholders, we will make further strides in sustainable business solutions.

We are building on the work we have achieved and will use those accomplishments to guide how we face the complex challenges ahead.

“We see ESG as an opportunity to challenge ourselves to see the future needs of our policyholders – and to adapt the organization accordingly.”

Bernard Bailey,
Director and Board ESG Sponsor, Argo Group

ESG PROGRAM



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Argo Group reviews the relevance of the [United Nations Sustainable Development Goals](#) (SDGs) each year. We map the 17 SDGs to each scenario within our sustainability threat and opportunity assessments and rank them. This helps us understand the materiality of the SDGs based on three key priorities.

1 RELEVANCE TO ARGO'S SUSTAINABILITY PROGRAM

2 PRIORITY DRIVERS FOR ARGO'S SUSTAINABILITY PROGRAM

3 URGENCY IN TERMS OF ARGO'S NEED TO ACT

Based on this assessment, we have committed to four key goals where we have the most experience and can make a meaningful impact.

SDG 13: Climate Action

- **Argo Group is a founding member of ClimateWise**, a global network of insurance organizations that helps its members respond to the risks and opportunities of climate change.
- **We are a signatory to the U.N. Principles for Responsible Investment** and are working

to build a more sustainable global financial system by integrating ESG factors into Argo's investment strategies.

- **The Investment Committee of the Board of Directors approved a revised Investment Policy Statement**, which incorporated a Responsible Investment commitment and a Fossil Fuel Statement.
- **We have also established a Stewardship and Engagement Statement** that guides how we work with our investment manager partners. Further details can be found in our [ClimateWise Report](#).
- **We sponsored a study on insurance opportunities in renewable energy** at the University of Illinois, Urbana-Champaign (UIUC). See Chapter Three for more details.

SDG 11: Sustainable Cities

Argo Group has set reduction targets for greenhouse gas (GHG) emissions since 2019 and has consistently met or exceeded these targets since 2020. This trend continued in 2021 and 2022 and is outlined in more detail in [Chapter Three](#) of this report.

Argo licenses a comprehensive suite of catastrophe models. Most notable primary perils include Hurricane and Earthquake, but also secondary perils such as Severe Convective Storm (SCS), Winterstorm and a Flood model which considers Inland Flood as well as Hurricane-induced flooding from events such as Hurricane Harvey. In conjunction with business partners, Argo developed a robust avoidance approach for high-risk wildfire zip codes, which has been embedded into our underwriting strategy.



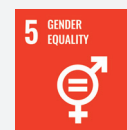
Climate Action

Fully incorporating climate risk into our enterprise risk management framework.



Sustainable Cities

Providing tailored underwriting solutions to support our clients' resilience and recovery.



Gender Equality

Tracking our progress toward stronger representation of women at senior levels.



Decent Work and Economic Growth

Promoting inclusive and sustainable economic growth, employment and decent work for all.

SDG 5: Gender Equality

We are continuing to make progress toward this goal, building on our establishment of a Diversity & Inclusion (D&I) Policy, D&I Committee and eight Employee Resource Groups (ERGs) in 2020.

See [Chapter One](#) of this report for a detailed account of our successes and growth opportunities in this area.

SDG 8: Decent Work and Economic Growth

We regularly measure employee satisfaction and engagement and have championed a hybrid work model as part of our Future of Work initiative. Our commitment to continuous learning and professional development is evident in a range of formal programs outlined in more detail in [Chapter One](#) of this report.

GOVERNANCE OVERSIGHT

The Nominating and Corporate Governance Committee (N&CGC) has had oversight of ESG issues since 2021. The Board maintains ultimate responsibility for overseeing and approving our ESG strategy.

RATINGS

Argo's ESG ratings demonstrate the effectiveness of the company's efforts to achieve sustainable progress. This year, we are proud to report that our MSCI rating has increased by three levels, underscoring the high priority of ESG issues at the company.

Four leaders in researching and rating ESG-related investment risks have analyzed and rated our operations:

- MSCI ESG Rating of AA (as of September 16, 2022)
- Sustainalytics ESG Risk Ratings score of 24.5 (as of March 7, 2023)
- ISS QualityScore Rating of Governance 2, Environment 5, Social 2 (as of November 27, 2022)
- S&P Global CSA rating of 47 (out of 100) (as of February 17, 2023)

AA

Argo Group's MSCI ESG rating rose from BB to AA from 2021–2022.



*Produced by MSCI ESG Research
as of September 16, 2022*

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CHAPTER 1 HUMAN CAPITAL

FORWARD TOGETHER

By empowering every employee within Argo Group, we create an environment that propels us toward our ESG goals.



Argo Employees by the Numbers

As of January 2023

1,224

Total global employee headcount

98.5%

Full-time employees

958

U.S. employees

266

International employees*

*This number represents the total international employee count prior to the sale of Lloyd's Syndicate 1200 on February 2, 2023.

HOW ARGO ATTRACTS & RETAINS TALENT

Argo Group attracts and retains diverse talent by creating an innovative environment where employees can thrive.

- **A Flexible Workplace Policy** underscores Argo's commitment to the Future of Work (see below).
- **Advancement and career growth opportunities** are available through stretch assignments and other means.
- **Comprehensive training and professional development** include targeted leadership training and technology-enabled employee development platforms.

5 YRS

AVERAGE TENURE – MEN

6 YRS

AVERAGE TENURE – WOMEN

Proactively Addressing Staff Turnover Through an Inclusive, Supportive Culture

The so-called "Great Resignation" has caused organizations to reevaluate the employment preferences of a younger and more diverse workforce. Argo is proactively addressing these trends by focusing on attracting and retaining talent.

- **Argo policies are designed to create a healthy balance of work and life support.** Our Flexible Workplace Policy supports growth and mentorship for employees while respecting their passions and responsibilities outside the office.

- **Argo provides office space for team building and collaboration.** [Polling from McKinsey](#) shows that even in hybrid settings, employees value connection to their colleagues. Argo makes space available for hybrid teams to collaborate in person and encourages teams to bond at social outings.
- **Managers use Argo-supplied email templates to celebrate employee successes.** Additionally, employees celebrate co-worker wins and post life updates on Yammer, Argo's internal social network, creating a culture of mutual respect, appreciation and inclusion.

How Argo Sources Diverse Talent

Diversity is central to Argo's Talent Acquisition strategy.

- **Job candidates and panel interviews are diverse.** Recruiters and hiring managers work to present diverse candidates, and panel interviews reflect Argo's internal diversity.
- **Recruiters are involved in ERGs.** The company encourages recruiters to regularly engage with at least one ERG.
- **Job openings are promoted in diverse communities,** both internally and among external communities or networks relevant to ERGs.
- **External D&I partners help recruiters source candidates.** For example, Argo partners with the National African American Insurance Association (NAAIA) to expand the talent pool from which recruiters choose candidates, as well as to offer career development opportunities for existing employees.
- **Employees are involved in recruitment** through the company's referral program.

Learn more about how Argo is partnering with organizations to source diverse talent [↗](#)

DIVERSITY AND INCLUSION

Workforces all over the world are expressing their support for D&I – and businesses like ours see the benefits for long-term success.



Diversity & Inclusion Policy

Our commitment to championing a diverse and inclusive work environment is key to innovating, developing and retaining a vibrant workforce. D&I is a board-led business strategy, and we are dedicated to integrating its values and practices into existing corporate policies and processes and empowering the organization accordingly. Our corporate policies and practices related to D&I guide our leaders.



Diversity & Inclusion Vision

Argo aims to foster a workplace that reflects and contributes to the diverse communities where we do business.

Argo Group is committed to cultivating an authentic and inclusive workplace, ensuring all employees feel comfortable at work, are confident in being treated respectfully, and have equal opportunities to be successful.

We believe that consciously embracing our differences is critical to driving innovation and business results, and that some of the greatest ideas come from a diverse mix of minds, cultures and experiences.



Expanding Opportunities for African Americans with NAAIA

Argo Group is proud to be a partner with the National African American Insurance Association (NAAIA), an organization committed to empowering African American insurance professionals to succeed in the industry. Argo's membership and financial support to the organization resulted in the following benefits to employees and the company:

- **Nine employees expanded their career opportunities through NAAIA membership.** Employees were given access to webinars, seminars and other events.
- **Four employees received career training at the NAAIA annual conference.** They attended industry-led keynotes, panel discussions, workshops and networking events.
- **Argo's attendance at the NAAIA conference demonstrated the company's commitment to D&I.** The conference is an important component of Argo's recruiting efforts.

2022 D&I Strategy

A diverse and inclusive workplace takes work. We focused on three key goals to foster continued growth and positive change in 2022.

GOAL	Leadership Commitment	Support and Nurture an Inclusive Culture		Build and Maintain a Diverse Workforce	
IMPLEMENTATION	Drive commitment to Argo D&I program through all levels of the organization	Cultivate a supportive, welcoming, fair and inclusive work environment		Develop equal opportunity and create a diverse talent pipeline	
	Assign accountability for promoting and supporting D&I objectives	Leverage D&I effectiveness from ERGs		Understand and augment our action plan to attract, hire and retain diverse talent	
ACTIONS	Cascade clear expectations from CEO through business unit leaders around the value of D&I	Create and roll out plan for ERG recognition, development and increased synergy	Review and implement changes to caregiver leave policies in partnership with ERGs	Design and implement Group mentoring program	Standardize job descriptions to reinforce commitment to diversity
	Continue D&I training, including unconscious bias (with review of ROI of current training program)	Execute on Group-wide 2022 communications plan, including ERG events	Annual Engagement Survey – D&I-focused questions	In-depth review of attraction, hiring and retention of diverse talent	Enhance outreach efforts with industry associations/schools with a D&I focus

How We Prioritized D&I in 2022



EXECUTIVE SPONSORSHIP

Each of our ERGs is supported by an executive sponsor.



COMMUNICATION

We championed the importance of D&I internally and externally through ongoing communications.



EVENTS

We hosted nine ERG-sponsored panel sessions and five LinkedIn Live events focused on D&I.



TALENT ACQUISITION

We partnered with a variety of organizations to establish diverse talent pipelines.



TRAINING

All Argo employees, including part-time employees, are expected to participate in training related to D&I topics.

Diversity & Inclusion Committee Responsibilities

In 2022, the D&I Committee met monthly to discuss and execute its responsibilities, which include:

- **Sponsoring the overall D&I program** and individually acting as D&I ambassadors across the organization.
- **Setting and reviewing measurable D&I objectives** and actively monitoring progress against D&I key performance indicators (KPIs) on an annual basis.
- **Reviewing the effectiveness of the D&I program** and making recommendations for enhancements.
- **Providing education and training** to deepen and develop personal understanding of diversity and inclusion.
- **Applying an inclusive approach** when thinking of business and product development.

[Read the D&I Committee Charter](#) ↗

D&I Program Governance



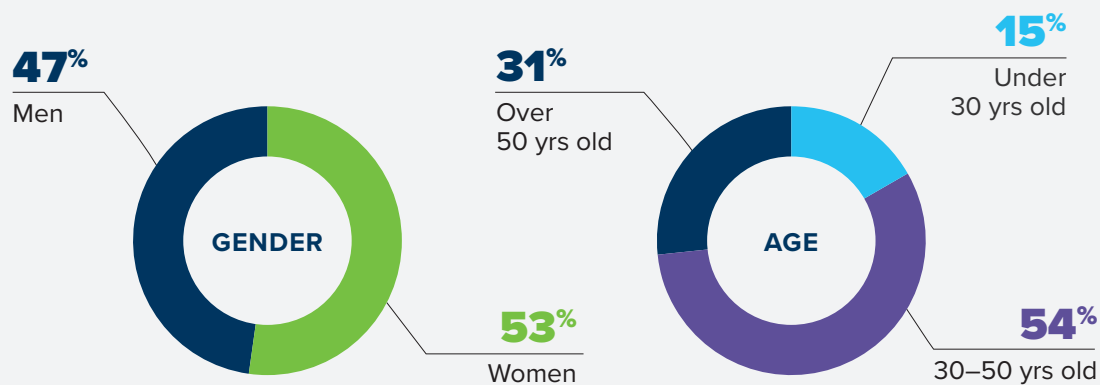
Employee Engagement Survey

In May 2022, we conducted an employee engagement survey to identify growth opportunities by measuring engagement, belonging and overall progress. We're proud to report that employees gave the company high ratings for a "discrimination-free," respectful workplace that enables a collaborative culture, accepting of authentic expression.

The survey reaffirmed our decision to focus on improving employee experience; sentiment associated with prospects for the future; career opportunities; and continued focus on transparency of our newly launched career and compensation framework. These areas of focus are especially important given the ongoing transformation of the company.



Argo Workforce Diversity by the Numbers



NEW HIRES

285
Total New Hires

47%
New Hires (Women)

EMPLOYEES WHO IDENTIFY AS AN ETHNIC MINORITY
(Voluntarily self-disclosed)

21.9%



MEASURE OF EMPLOYEES INVOLVED IN AN ERG

25%

D&I Respectful Workplace Training Topics

Argo's [Respectful Workplace for Employees](#) course brings awareness to unconscious bias and the power of a diverse and inclusive workforce. All Argo employees, including part-time staff, are expected to take the course. In the last three years, 98% of managers completed the training. The small percentage of managers that did not complete training were on long-term leave or unable to complete.

Topics covered include:

- Speaking up about workplace issues
- Inclusion
- Retaliation/protected protest
- Harassment and discrimination
- Unconscious bias
- Bullying
- Ethical standards



HOW EMPLOYEE RESOURCE GROUPS (ERGS) HELP EMPLOYEES THRIVE

These voluntary, employee-led groups are organized around shared interests, characteristics or experiences, and each is guided by an executive sponsor. ERGs help create a workplace culture where all employees are respected, treated fairly and given equal opportunities to succeed.

- **Employees share their voices**, resulting in greater inclusion and cultural awareness. The Group Communications team often seeks ideas from ERGs on how to promote D&I.
- **Leaders and managers learn about D&I issues** and their effects on the work environment.
- **Solutions for positive change emerge** thanks to a diversity of thought.
- **Employee engagement increases**, along with morale, productivity and job satisfaction.
- **Diverse talent is attracted, developed and retained.**



Argo Group ERGs

Argo Heroes

Argo Pride

Disability

Early Career Professionals

FERM (faith, ethnicity, race, multiculturalism)

Gender Equality

Socioeconomic

Working Families

[Learn more about Argo's ERGs](#) ↗

D&I Program Achievements

8 Employee Resource Groups

25% Employees involved in an ERG

10 ERG-sponsored speaker events

98% Managers completed D&I training

Inclusive Conversations

Argo hosted nine employee events to promote D&I and other issues:

- Insurance Careers Month panel
- ERG Virtual Fair
- Working Families panel
- Argo Heroes/VetDogs event
- Argo Pride/Early Careers event
- Disabilities Lunch & Learn
- ERG Roundtable
- Veteran's Day/Remembrance Day event
- A "Call to Men" virtual event

TALENT DEVELOPMENT RESOURCES

Argo invests in a robust slate of talent development resources, including:

- **A leadership framework** with targeted leadership training.
- **Employee development platforms** enabled by technology.
- **A transparent career and compensation framework** for employees.
- **An innovation platform** for employees to share ideas to drive innovation, reduce expenses, and change policy.
- **A peer mentoring program** that pairs early career employees with more seasoned colleagues.



Training & Development by the Numbers

5+

Daily personalized
development opportunities

100%

Employees who
receive training

55

Average annual employee
training hours

8,000

Course
enrollments

100%

Managers who
receive training

56

Average annual manager
training hours

29

Education Partners –
Institutions and learning experts

Argo Academy

Argo's Learning & Development Program

Everyone at Argo, including contractors and part-time employees, has access to our learning and development program, Argo Academy. Training topics align with our business strategy and include personal and professional development topics.

Stretch Marketplace

A Cross-Training Opportunity

We launched a Stretch Marketplace in 2022, giving employees the chance to learn more about the business and audition new career paths. It also allows managers to meet business needs by leveraging resources and expertise that already exist within Argo.

Learning & Development Programs

Emerging Talent

Developing employees with less than five years of experience in the insurance industry

- 122 employees have participated since 2019
- ~2,400 hours of development learning
- 98% relevance rating according to participants in 2022



Leading Oneself

Developing core personal and technical skills

- Self-directed based on competency map provided by Argo
- Launched Q1 2022
- ~40 participants



Leading Others

Interactive, cohort-based learning for rising middle managers

- 61 participants
- 77% retention rate
- 97% relevance rating according to participants



Leading the Business

Interactive, cohort-based learning for rising senior managers

- 39 participants, all VP level and above
- 68% retention rate
- 17% participants promoted
- 92% relevance rating according to participants



SHINE ONBOARDING SURVEY RESULTS

Our award-winning training program, focused on Argo Group's culture, has earned high marks from employees.

97%

Met learning expectations

90%

Valuable use of time

96%

Will apply learning to personal development

Argo supports employee growth through performance appraisals and feedback.

- **Regular feedback conversations** are held between employees and their managers to document goals and performance updates.
- **Employee self-assessments** help employees reflect on commitments and achievements and set a plan to improve.
- **Stakeholder input** provides meaningful feedback that helps managers understand what motivates and incentivizes employees.

100% Completion rate
Performance and career development reviews

PEER LEARNING

This peer mentoring program enhances Argo's inclusive culture through regular small group discussions led by employees from diverse backgrounds.

100

Employees participated

77% (+4% increase)

Likely to continue with company after completing program

90% (+29% increase)

Feel engaged with their work after completing program

EMPLOYEE REFERRAL PROGRAM

Argo's Employee Referral Program rewards eligible employees for referring qualified candidates who begin and continue their full-time employment at the company. This program has been a great source of talent for the company and offers incentives for talented employees to bring their talented peers on board.

25%

of Argo's new hires were recommended through the program in an average year

AWARD-WINNING DIVERSITY PROGRAM



EMPLOYEE WELLNESS

Bringing out the best in each employee requires attentiveness to the employee's mind, body, finances and overall life.

Supporting Employee Wellness

24

Live wellness webinars

1,049 hrs

Live wellness learning

30+

New tools on caring for emotional well-being of self and others

Wellness topics covered

Everyday Mindfulness, Resiliency and the Power of Affirmations, Breaking Through Burnout, Healthier Eating, Soothing Stress, Embracing Change, Care of Self and Others, Mental Well-being.

EMPLOYEE BENEFITS

Total Rewards Program



Flexible Workplace Options

Includes new unpaid sabbaticals and flexible work options



Dress for Your Day Policy

Wear clothing that is appropriate for the day's business commitments



Education Benefits

Up to \$5,250 tuition reimbursement, education bonuses and other continuing education



Wellness Program

Employees and covered spouses may participate in healthy lifestyle activities



Paid Parental and Caregiver Leave Programs

Paid time away from work without needing to use PTO



Employee Assistance Program

Free access to licensed counselors for employees and their families



401(k) Retirement Savings Plan

401(k) retirement savings plan in the U.S. and similar programs internationally



Paid Time Off

Employees get the rejuvenation they need to be fully engaged at work



Compensation Framework

Competitive compensation and pay transparency for employees

Employee Assistance Program: Providing Counseling for Employees

Argo's Employee Assistance Program (EAP) provides Argo employees and their family members with access to licensed counselors. They receive immediate support and guidance, as well as assessments and referrals for further services.

Counseling Service Topics

All EAP conversations are voluntary and strictly confidential. EAP counselors can provide support for a wide range of topics, including:

- Stress, anxiety and depression
- Marriage and parenting
- Workplace conflicts
- Sleep problems
- Financial and legal questions
- Substance abuse and other addictions

How Argo Is Embracing the Flexible Workplace for the Long Term

Now more than ever, employees are asserting their desire for flexible work arrangements. At Argo Group, we trust our teams to deliver results wherever they are – and that’s why we are committed to flexible working.

- **Managers are encouraged to create flexible work charters with their teams.** These documents, which are developed in collaboration with employees, define how the team will work together and respect diverse work styles.
- **Argo employees are encouraged to use offices for collaboration, connection and networking when helpful.**
- **In-person and remote relationship-building is prioritized** through company training and mentorship, informal meet-ups and strategic travel.

Flexible Work Options at Argo



Remote and Multi-site Working

Work on-site, from home or both



Flextime

Choose when to begin and end work
Subject to business requirements

61%

Remote U.S. employees

39%

Hybrid/multi-site
U.S. employees





CHAPTER 2 RESPONSIBLE BUSINESS

ADVANCING ACCOUNTABILITY

Argo is pushing the business forward while remaining committed to ethical business practice, transparency and responsible governance.

Ethical business practice isn't just a moral or legal matter; ultimately, it has a positive impact on people, the planet and profits. Argo strongly believes that creating a risk-aware culture is the critical element of applying Enterprise Risk Management (ERM) to our sustainability threats and opportunities. Making informed decisions comes from a combination of an effective process and a values-driven culture.

GOVERNANCE

Board Approach and Oversight

Argo Group has robust corporate governance practices that meet best practice expectations and are reflected in our external [ESG Governance scores](#).

The Board of Directors has the ultimate responsibility for overseeing and approving the company's ESG strategy. In 2021, the Board assigned the Nominating and Corporate Governance Committee (N&CGC) to oversee ESG matters under the Board's sponsorship of Bernard Bailey, Lead Independent Non-Executive Director.

We carefully considered whether to form a new stand-alone committee or integrate ESG into existing structures. The Board believed that harnessing current structures would ensure that ESG was fully integrated and embedded into organizational strategy and processes.



83%

Independent directors
on the Board

33%

Women on the Board

100%

Attended 75% or more
Board & committee meetings

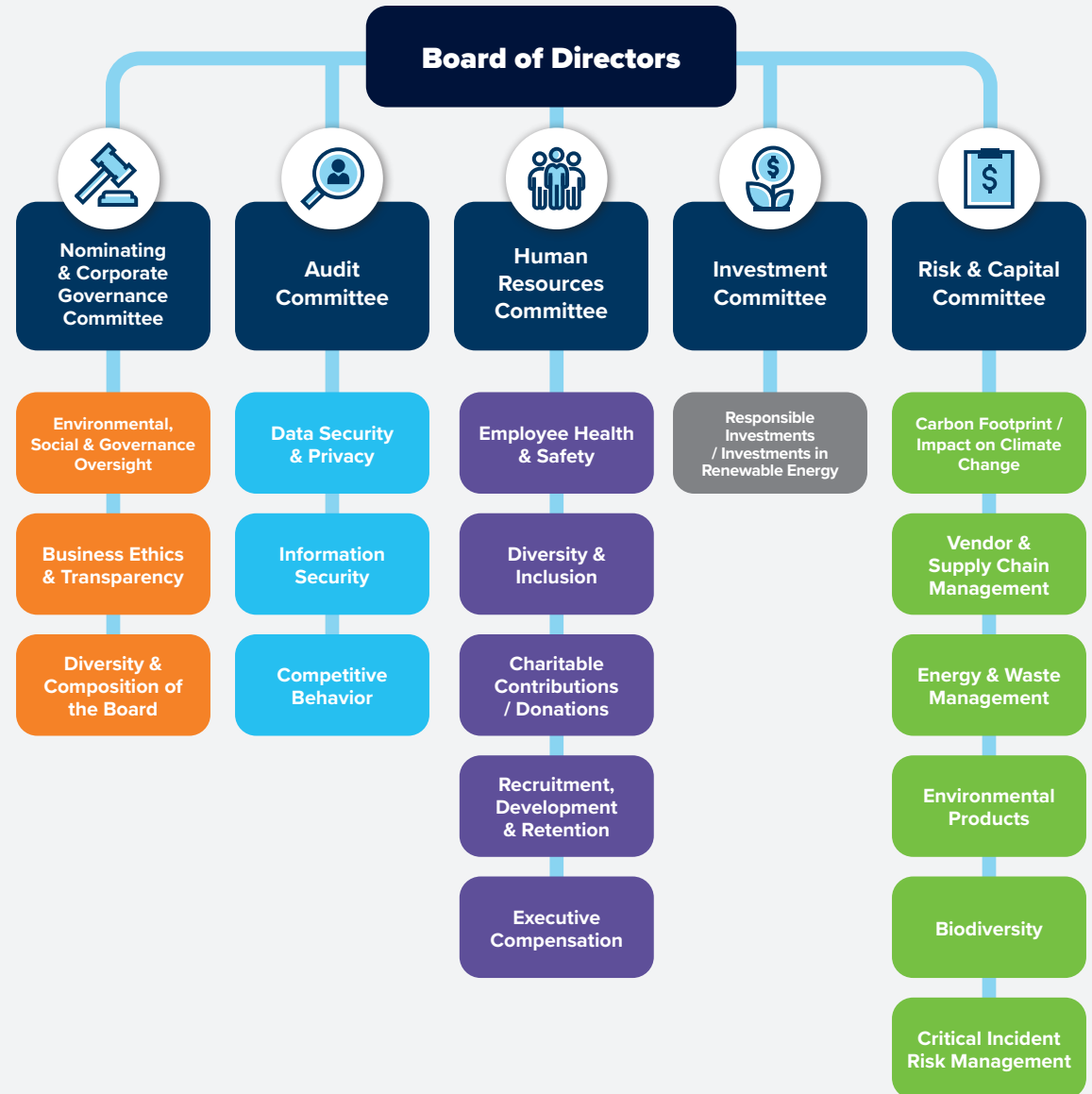
The N&CGC sponsored the adoption of the ESG governance framework, charging the chair of each board committee with ensuring their committee charters and agendas were updated to match the Board Committee & ESG Governance blueprint, as seen here.

The Board is committed to fostering, cultivating and preserving an inclusive culture. The Board understands that every person is unique and recognizes individual differences. In evaluating new director candidates, the Nominating & Corporate Governance Committee will actively consider gender identity, age, race, nationality, ethnicity, disability status and sexual orientation diversity in board composition.

[Read more about the Argo board and committees](#)

Board Committees & ESG Governance

The Board of Directors oversees five committees to address major areas of impact in the business.



ESG Governance and Risk Assessment

The Chief Risk Officer (CRO) has executive responsibility for implementing the ESG program, supported by the Sustainability Working Group (SWG), which was established in 2016 and meets every six weeks. This is a cross-functional committee that oversees and champions the adoption of ESG-related initiatives and the company's external disclosures. The SWG provides operational oversight of developments in sustainability policy and implementation. Responsibilities include:

- **Provide ongoing project management for sustainability efforts**, including policy and reporting requirements.
- **Review the material threats and opportunities facing Argo with respect to sustainability** and advise the Enterprise Risk Management steering committee on actions required.
- **Consider outcomes of ESG index rating reports** produced about Argo and actions required.
- **Review progress with existing action plans** and set appropriate priorities, including monitoring Sustainability Key Performance Indicators (KPIs).
- **Review regulatory and other external reporting commitments related to sustainability.**
- **Receive periodic reports on progress regarding sustainability initiatives and performance metrics.**

- **Raise awareness, build stakeholder trust and identify collaborative opportunities** throughout the organization.

Code of Conduct

Argo Group is committed to creating and fostering a suitable environment for sound and prudent business conduct, free of unethical and fraudulent activity. The company's [Code of Conduct & Business Ethics](#) defines specific responsibilities for company leaders that address:

- Promoting employee awareness of the code.
- Procedures for ongoing code compliance.
- Reporting suspected and actual code breaches, providing accurate and timely information and referring code-related questions to the proper personnel.

The code applies to all employees, including part-time staff, board members, controllers, officers and third-party providers. The Audit Committee of the Board monitors compliance with the code, including an annual review of conflicts of interest. Ethics matters are escalated to the Audit Committee via the Compliance Function for further review, challenges and oversight.

Anti-Bribery and Corruption Policy

Argo's [Anti-Bribery and Corruption Policy](#) sets forth measures to actively prevent and guard against unethical or fraudulent activity, including the use of the company as a medium for facilitating bribery and corruption.

Compliance Training Programs

Argo Group supports its compliant and risk-aware culture through a corporate compliance training program. Overseeing legal, regulatory and ethical requirements, the program comprises several mandatory courses:

- Code of Conduct: Best Practices
- Whistleblowing: Raising Concerns
- Preventing Bribery and Corruption
- Security Awareness
- International Sanctions (Anti-Money Laundering – Insurance)
- Avoiding Conflicts of Interest

All employees, including part-time staff, must complete the training on an annual basis.

100% Compliance training completion rate

Whistleblower Policy

Our Whistleblower Policy encourages employees to confidentially and anonymously report, without fear of retaliation, any suspected or actual financial, ethical or legal impropriety by their colleagues, management, customers and other market practitioners.

- **The policy requires the company to follow an annually reviewed procedure** for managing whistleblowing activity and investigating reports.

- **We offer an ethics hotline**, accessible by phone or email and provided by an independent third party, to allow employees and management to anonymously report any activity or business practice they suspect to be unethical or illegal.
- **Our policy is to protect any whistleblowers who come forward.**

The Audit Committee of the Board oversees compliance with the Whistleblower Policy.

HUMAN RIGHTS AND LABOR POLICY

Argo's [Human Rights and Labor Policy](#) recognizes the responsibility to respect human rights, and we are proud of our ability to contribute positively to human rights around the globe.

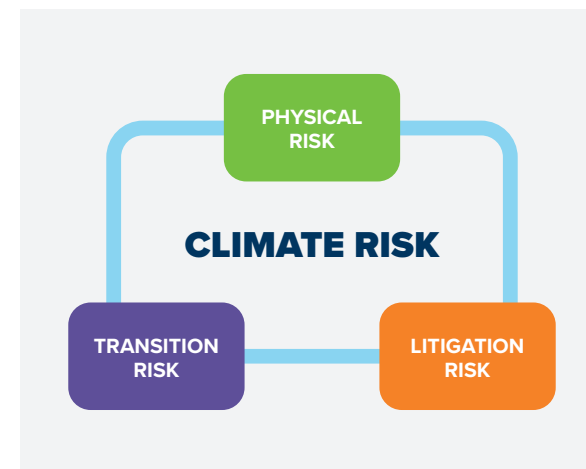
- **We respect, promote and fulfill the International Labor Organization's principles relating to the four fundamental rights at work**, and we expect the third parties we work with to do the same.
- **Argo Group's Slavery and Human Trafficking Statement sets out our commitment to combat all forms of slavery and human trafficking**, to comply with the laws and regulations applicable to our business, and to take steps to ensure that slavery and human trafficking are not taking place in our supply chains or in any part of our business. We expect all parties we engage with to apply the same high standards as we do.
- **We are committed to ensuring that we are compliant with the U.K. Modern Slavery Act.**

CLIMATE RISK MANAGEMENT

We recognize climate change as a material emerging risk with potential impact on Argo Group's business operations, insurance products and clients. Argo maintains its own view of natural catastrophe risk informed by proprietary models, which is used to make underwriting and management decisions. It is based on a combination of third-party vendor models, plus our in-house adjustments specifically recognizing factors such as climate volatility. We continue to carefully review the effect of climate change on historical U.S. hurricane landfall rates by region and category. However, we recognize that considerable uncertainty remains. We regularly consider potential climate change scenarios within our Stress & Scenario Testing Framework and in completing validation of our catastrophe and capital models.

Our ClimateWise report, which is aligned with the principles of the Task Force on Climate-related Financial Disclosures (TCFD), covers the strategy, governance, risk appetite, risk assessment and scenario analysis aspects of adopting climate risk management. As risk experts, we play an essential role in helping our stakeholders understand and adapt to the impacts of climate-related risks.

As such, the risk management framework has been updated to create a specific risk category of "Climate Risk," including within it three subcategories: Physical Risk, Transition Risk and Litigation Risk. Climate key risk indicators are included for each sub-category, as part of our risk appetite framework.



Physical Risk

We recognize the physical risks from changing frequencies and intensities of weather-related perils. We take a balanced view of the potential underwriting opportunities for producing protection and resilience solutions to our clients in the face of climate risk. While Argo divested its reinsurance business and significantly reduced catastrophe-exposure in 2020, the group continues to evolve its own view of risk based on the latest modelling and climate science.

- **Argo's end-to-end underwriting and exposure management platform** provides live pricing and exposure data, enabling daily reporting against appetites and limits both gross and net of reinsurance.
- **Regional optimization metrics** allow the portfolio to be built on an account-by-account basis, targeting maximum return within approved limits.



Transition Risk

We consciously seek to contain our exposure to transition risk associated with a move to a low-carbon economy due to changes in asset values, changing energy infrastructure and/or carbon regulation or taxation arrangements.

We recognize our exposure to transition risk within our investment portfolio as part of our commitment to the U.N. Principles for Responsible Investment (PRI).

- **Argo's Responsible Investment Policy sets forth our commitment to ESG investing** and our pledge to engage in proactive and collaborative communication for continued improvements on ESG-related business practices for positive financial returns.
- **The company's Stewardship and Engagement Statement recognizes that we are responsible for exercising our rights to protect and enhance long-term investment value** to generate the best yield on our returns by supporting sustainable value creation in our investments.
- **Quarterly ESG performance reports from major investment managers help us understand ESG factors that could have a material impact on our investments.** We evolve our portfolio based in part upon these reports. Investment performance is reviewed every quarter by the Investment Risk Review Group, with issues escalated as necessary to the Investment Committee of the Board.
- **We have established key performance measures related to portfolio ESG rating and carbon intensity levels and set thresholds**

with our major investment managers. We also monitor and measure our investments to ensure we are not exposed to stranded asset risk associated with thermal coal and oil sands exposures. We continue to develop stress and scenario analysis to better inform our consideration of these exposures.

Litigation Risk

We seek to avoid exposure to the impact of litigation associated with allegations of failure to mitigate or adapt to climate change risk or associated disclosure failures. We understand the potential for exposure to climate-related litigation.

We also continue to monitor the ongoing regulatory developments with the expectation of 2023 developments from the Bermuda Monetary Authority and the New York State Department of Financial Services and other key regulators.

ENVIRONMENTAL SUSTAINABILITY AND MANAGEMENT POLICY

The Environmental Sustainability and Management Policy was updated in 2022 to include a broader scope of our commitment to make improvements while adopting a long-term sustainable approach to caring for and safeguarding the environment as it relates to our business operations.

We clarified our purpose to minimize any negative impact on the environment by Argo Group's global operation and contribute positively to protecting the environment and communities in which we operate.

We recognize environmental impact risk exposures as an enterprise risk with the company's enterprise risk management framework, and appropriate controls are maintained to reduce this risk to acceptable levels. We define environmental risk as the risk of financial loss or damage to reputation associated with environmental issues, be it arising from the day-to-day operations of our business, underwriting or investment activities.

We place importance on our part as risk experts and avow that we have a critical role to play in helping address, mitigate and adapt to these effects. Argo Group classifies climate risk as one of its material emerging risks. As such, it is regularly monitored by the risk management function to primarily assess the potential impact of climate change on the company's business operations, insurance products and clients.

Through this Policy, Argo Group commits to:

- Integrating environmental considerations holistically into all aspects of management, facilities and operations.
- Improving our environmental performance.
- Engaging all relevant stakeholders, contractors, and supply chain partners.
- Ensuring the appropriate resources to achieve the above objectives.

SECURITY AT ARGO

Argo's Defensive IT Strategy

The Security Governance Council is the company's executive body responsible for privacy and information security. The council meets a minimum of four times per year, providing oversight in the protection of Argo information assets and technology, as well as keeping information risks below acceptable levels.

Argo Group has a multifaceted defensive IT strategy, including:

- **Mitigating vulnerabilities** through system lifecycle and patch management.
- **Limiting permissions** while ensuring all employees have appropriate access to fulfill their duties.
- **Combating phishing attempts** through end-user training done at a cadence, including remediation training for those who fail testing.
- **Monitoring and evaluating** infrastructure protections and controls.

- **Anticipating emerging threats** by staying abreast of cybersecurity trends.
- **Protecting Argo assets** through the deployment of security tooling and processes, which identify risks and improve our security posture.

Argo Group maintains an incident response plan that defines the communication strategy and notification requirements to regulators and stakeholders. This team investigates security concerns and aligns with business continuity to allow for a swift recovery following an incident. We maintain a range of independent reviews by third parties to ensure our approach remains relevant.

Data Security and Privacy

Along with annual independent audits, we've instituted multiple policies and processes to diligently safeguard the collection and use of our customers' personal information and to make those processes transparent. We have updated [Argo Group's Global Privacy Notice](#) to reflect the scope of the company's available data protection policy.

The company maintains a [Data Protection Framework](#) and program that includes an [Information Security Policy](#), internal Privacy Policy and Third-Party Risk Management Program that govern all parts of our business, including subsidiaries, with a commitment to carefully manage personal information. We aim to comply with the security and privacy regulations in the jurisdictions in which we operate, including specifically addressing the [rights of individuals](#) regarding control of data we may hold related to them. This includes access, correction or modification, and deletion of personal information.



We are committed to ensuring, designing and adapting security as it relates to protecting privacy and mitigating threats, including cybercrime, espionage and malicious acts that seek to steal data and disrupt operations.

All employees, including part-time staff, are required to complete an annual data protection and privacy training program to ensure they are fully aware of and understand their responsibility to protect confidential information (for both customers and the company) and the necessary escalation procedures should an event occur.

During 2022, we experienced zero breaches involving personal or customer information.



Zero breaches Involving personal or customer information during 2022

VENDOR MANAGEMENT APPROACH

Vendor management helps an organization control costs, reduce vendor risk and ensure vendors deliver excellent service. Our approach to vendor management is to provide proper oversight in establishing and monitoring vendor relationships to enable the outcomes we seek. It's one of the many ways we protect our competitive advantage and improve our business results. When engaging vendors, our vendor management practices and protocols help ensure:

- Prospective vendors have been evaluated based on their ability to deliver on the requirements of the business.
- Each selected vendor relationship supports the overall business objectives and strategic plans.
- The risks associated with the use of the vendor are assessed and understood.
- We identify vendor relationships that are impactful to Argo.
- The appropriate oversight program is in place to monitor vendor contractual performance and risk mitigation activities.

INNOVATION AT ARGO

Innovation is in our company's DNA. As a specialty insurer, we continuously innovate solutions to meet our clients' evolving risks. As an employer, we strive to improve the employee experience. And as a member of the community, we work to maximize our positive impact.

We intentionally push innovation at every level of the company through efforts like these:

- **Recognizing that all colleagues have the ability to innovate.** All employees are invited to participate in two key innovation forums: Argo Innovates and the Innovation Council.
- **Supporting colleague innovations with executive sponsorship.** Employees who submit innovative solutions through either forum can be selected to present their ideas to executive leadership and receive sponsorship for them.
- **Fostering a culture of innovation.** We achieve this by cultivating diversity of perspective, providing access to leadership, empowering employees to submit ideas and rewarding results.

We also provide support for quicker implementation path for ideas that fall within a local manager's purview.

“**Every member of our organization, with any role or skill set, is capable of coming up with ideas that improve processes, introduce new ways of working or meet clients' needs.**”

Stuart Jordan,
VP, Process Improvement & Innovation

The Role of Innovation Council

The Innovation Council is key to our culture of innovation. Volunteer-led and open to all employees, the Innovation Council provides support and subject matter expertise to employees who have submitted innovative ideas. The Innovation Council helps gauge potential and then utilizes smaller working groups to develop ideas to the point where they can be presented to an Executive Panel for potential sponsorship and assignment of resources for implementation. The Council is also involved in identifying themes that form the basis of targeted campaigns to solicit ideas from across the company on a specific strategic need or challenge.

Argo Innovates

This company-wide program empowers all colleagues to submit ideas and collaboratively pursue their development.

Engagement & Impact

1,009

Employees participated since inception

78

Ideas submitted in 2022

247

Ideas submitted since inception

6

Initiatives granted executive sponsorship in 2022

\$14,775

Total reward payments to employees in 2022



CHAPTER 3 ENVIRONMENT

ENVIRONMENTAL PROGRESS

We strive to take care of the planet and the communities where we serve, increasing our momentum toward sustainability.

As we press forward, we recognize the importance of progress that also protects the planet. By embracing sustainable facilities, reducing our carbon footprint and adopting other environmentally friendly practices, we're advancing a greener future.

PROGRESS TOWARD REDUCED GREENHOUSE GAS EMISSIONS

- Using the International Standard for Organization (ISO) 14064-1, we established organizational boundaries to collect and report on our greenhouse gas (GHG) inventory.
- GHG emissions have continuously dropped since establishing our baseline in 2019.
- Electrical use declined, continuing trends that began during the start of the pandemic, and we implemented a hybrid work model.
- Business travel began returning to normal levels in 2022, allowing us to examine new business goals and understand our carbon footprint.

During 2022, we continued our policy of disclosing our GHG emissions for scope 1, 2 and 3 inventories. We have achieved our GHG reduction targets for 2022 and have restated our 2021 results.



GHG Reduction Targets

Relative to 2019 baseline

2022 RESULTS

REDUCTION IN
SCOPE 2 EMISSIONS

Goal: 32.5%

Actual: 59%

✔ **Achieved!**

REDUCTION IN
SCOPE 3 EMISSIONS

Goal: 35%

Actual: 66%

✔ **Achieved!**

2021 RESULTS

REDUCTION IN
SCOPE 2 EMISSIONS

Goal: 20%

Actual: 55%

✔ **Achieved!**

REDUCTION IN
SCOPE 3 EMISSIONS

Goal: 33%

Actual: 95%

✔ **Achieved!**

Targets are quoted as emission rates measured in metric tonnes of carbon dioxide (CO₂) per dollar of gross written premium (GWP). Reduction targets have been calculated against the 2019 baseline.

For detailed information about our CO₂ emissions (Scope 1, 2 and 3), please refer to the Key Figures section in the Appendix.

How We Are Reducing the Environmental Impact of Our Facilities

We continually work to identify ways to reduce our operational impact and the amount of carbon we are responsible for.

- **Paperless environment.** Whenever possible, we keep printing to a minimum in all offices.
- **Recycling.** To divert waste from landfills, we encourage all employees to recycle.
- **Greenhouse Gas Reductions.** With our corporate restructuring and upon the final results of the strategic review, our original targets will be reassessed to reflect our footprint.

U.S. Facilities



208,455
Total square footage



26%
ENERGY STAR
or LEED-certified



10
Number of
office locations

Global Paper Waste Reduction

2022

SHEETS USED
548,178

METRIC TONNES CO₂e
22.364

2021

SHEETS USED
501,140

METRIC TONNES CO₂e
20.457

2020

SHEETS USED
1,257,733

METRIC TONNES CO₂e
51.256

2019

SHEETS USED
3,386,257

METRIC TONNES CO₂e
137.892





CHAPTER 4 COMMUNITY & PARTNERSHIPS

COLLABORATIVE MOVEMENT

By empowering our employees to make a difference and partnering with organizations in our communities, Argo Group is making a positive impact on the world.

Transforming our world for the better requires us to reach into the communities where we serve. In addition to partnering with other organizations, Argo gives employees paid time off to volunteer and matches their contributions to charitable groups. We aim to create an ever-evolving environment of dignity, equality, wellness and career development that reflects and contributes to the diverse communities where we do business.

CORPORATE GIVING BACK: AN EMPLOYEE-LED STRATEGY

Argo Group's contributions are primarily guided by our employees. We also support group-level donations toward diversity and inclusion, scholarships, the environment and sustainability, Insurance Careers Movement and CAT/ disaster relief.

Matching Gifts Program: 100% match of employee's eligible donations

Argo matches 100% of an employee's eligible donation to a nonprofit organization of their choice, up to \$5,000 per employee per year.



Matching our Employees' Contributions in 2022

100%

Donation match

Up to \$5k

Per employee per year

137

Employee donations
matched in 2022

255

Nonprofits benefited

\$105k

Total matched contributions



Community Relations Committees (CRCs)

Argo has established CRCs in multiple locations to organize volunteer efforts in local communities.

- **CRCs are employee-led and are based in certain cities where Argo has offices:** New York, San Antonio, Richmond, Bermuda, Houston, Chicago and London.
- **Committees address issues of local, national and global significance,** including socioeconomic issues, disabilities, working families, gender equality and LGBTQIA+ causes.
- **Philanthropy partnerships are established and maintained by committees.** CRCs work with charitable and nonprofit organizations in Argo communities.

In 2022, Argo served or donated to numerous philanthropic organizations, including the following:

- **Big Brothers Big Sisters.** Argo staff and broker partners volunteered their time to build bikes for Big Brothers Big Sisters Houston.
- **Bermuda Pride 2022.** As a Silver Sponsor of Bermuda Pride, Argo supported LGBTQIA+ issues in Bermuda.
- **Bermuda Center for Creative Learning.** Argo made a Group-level donation to support tuition bursaries for students diagnosed with learning differences.
- **Church Avenue Merchant Block Association.** New York employees worked with CAMBA to help restore the Brevoort Community Center in New York City after damage from Hurricane Ida.
- **Family Services Association.** The San Antonio office teamed up with the Family Services Association to deliver Thanksgiving dinners to families in need.
- **My Block, My Hood, My City.** In Chicago, employees helped clean litter and trash from the city streets.
- **South Texas Blood & Tissue Center.** Argo employees pulled together to donate to victims of the Uvalde school shooting.

Incentivizing Employees to Help Their Communities with Paid Volunteer Leave

Each employee receives one day (eight hours) of paid time off each year to donate their time to nonprofit organizations and participate in local fundraising.

“**At Argo, all the volunteers are one family. Getting that feeling is very important, and I see that as a difference here.**

Pavana Annaluru,
AVP, Segment Application Manager

SUPPORTING STUDENTS WITH THE COMPANYWIDE SCHOLARSHIP PROGRAM

Argo provides multiple scholarships to assist promising students as they seek careers in our industry.

Argo Doubled its Diversity Scholarship Commitment in 2022

Since 2020, Argo Group has partnered with the [Spencer Foundation](#) to award an annual [Argo Group Diversity Scholarship](#). This year, the company increased the number of scholarships it awarded from one to two.

2,354

Hours of Community Service in 2022



Houston employees helped patients struggling with food insecurity by volunteering at The Food Farmacy, a working farm that provides produce and other foods to those with specific dietary needs.

- Two \$10,000, two-year scholarships are awarded to help potential future insurance professionals.
- Students from underrepresented racial/ethnic identities are eligible to receive the scholarship. This helps increase diversity and inclusion in the risk management and insurance industries.
- Scholarships are awarded to students attending the University of Illinois Urbana-Champaign.
- Interns helped Argo offices go green. By promoting greener commuting methods and encouraging sustainable consumption, the interns made a lasting impact on the Argo office.

Bermuda Foundation for Insurance Studies (BFIS) Scholarship Commitment

Argo has supported BFIS since 2016. Through this partnership, we have supported four students with scholarships ranging from \$5,000 to \$25,000. The BFIS has awarded approximately \$8 million in scholarships since it was established in 1996, all donated by the insurance industry.

Innovating ESG Solutions with London Interns

- The interns got hands-on experience by working in a real insurance office and solving real business and ESG problems.
- The program encourages future insurance professionals to embrace ESG. Interns reported feeling impressed by Argo's commitment to ESG initiatives.

“**Bermudian students do not have access to the financial aid that U.S. students routinely access. The scholarships offered by BFIS and others are very important. In addition, BFIS guides students into the industry through internships, helping convert newly minted graduates into insurance professionals.**”

Bill Wharton,
Head of Argo Insurance, Bermuda



CORPORATE CONTRIBUTIONS POLICY

How Argo Group Gave as a Group in 2022

Argo conducts an annual review of our Corporate Contributions Policy and submits recommended amendments to the Board for review and approval as required. Additionally, we submit to the Board quarterly reports on the company's recent philanthropic activities and expenditures.



2022 Community Contributions by the Numbers



255

Nonprofits supported



3

Scholarship programs funded



7

Scholarship recipients

PARTNERSHIP INITIATIVES AND EVENTS

Partnering to Make an Impact

Argo partners with regional, national and global initiatives to find solutions to socioeconomic problems, diversity and inclusion issues, environmental concerns and more.

- **Helping young people gain skills and professional experience at The Brokerage.** Argo worked with students at The Brokerage, a "social mobility charity" in the U.K. that offers scholarships and career advice.
- **Sponsoring courses at the Dive In Festival.** Argo continued its partnership with Dive In, an insurance movement that promotes D&I, by sponsoring educational webinars.

Partnership Results from an Argo-sponsored UIUC Study on Renewable Energy Insurance

Argo Group sponsored a study conducted by Illinois Business Consulting (IBC) and the Office of Risk Management & Insurance Research (ORMIR), both at the University of Illinois, Urbana-Champaign (UIUC).

Phase 1 of the study uncovered three key takeaways for insurers.

- **Hydrogen and battery production offer the most promising opportunities.** These technologies receive large investments and are well-understood and relatively safe.
- **Subsidies can ease entry into renewable markets.** Local, state and federal governments often provide funding for renewable energy, helping reduce the risk for insurers.
- **Insurers can act now to help the renewable market grow.** There's a need to gather more data on renewable energy and speak to insureds about their needs.

Researchers followed up with a deeper investigation into battery risks.

The researchers examined risks associated with supply chain interruptions and the downstream use of batteries.

- **The majority of losses were related to end-of-life battery disposal.** A small number of losses also resulted from inappropriate battery storage.
- **The team created models to evaluate loss frequency.** The study helped Argo understand the challenges and risks of insuring battery technology.
- Risk mitigation strategies include better storage, disposal and reuse methods.





APPENDIX

FINANCIALS, OPERATIONS, COMMITTEES & REPORT DETAILS

FINANCIALS

Year-Over-Year Financial Results

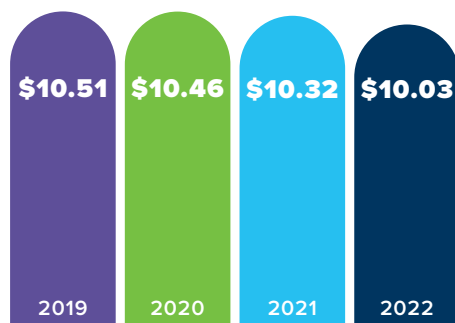
GROSS WRITTEN PREMIUM

(in billions, except per-share data)

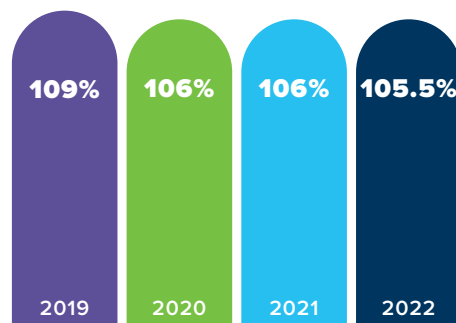
U.S.
\$1.94

INTERNATIONAL
\$.91

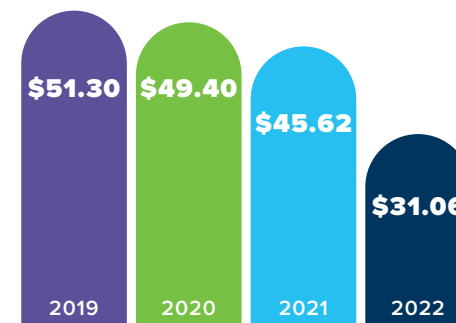
TOTAL
\$2.85



TOTAL ASSETS



COMBINED RATIO



BOOK VALUE PER SHARE

[See the full 2022 Annual Report](#)



HOW WE OPERATE

For the year that ended December 31, 2022, our operations included two primary reportable segments: U.S. Operations and International Operations. In addition to these main business segments, we have a Run-off Lines segment for certain products we no longer underwrite.

U.S. Operations

This segment is a leader in the U.S. specialty insurance market, specifically through its Excess and Surplus Lines (E&S) businesses focusing on U.S.-based risks that the standard, admitted insurance markets are unwilling or unable to underwrite.

International Operations

This segment focuses on specialty property insurance, property catastrophe reinsurance, primary/excess casualty, professional liability, and marine and energy insurance. The business is focused primarily, but not solely, on U.S.-based specialty insurance risks. The segment includes a strong Bermuda trading platform. It also included a multi-class Lloyd's Syndicate platform until it was sold in February 2023.

ABOUT THIS REPORT

The design of this report – and Argo’s ESG program as a whole – is informed and monitored by an ESG scorecard. Populated with key performance indicators (KPIs), this scorecard reports to Argo’s Executive Committee the progress on the company’s ESG efforts and goals through assigned key metrics.

Our goals and KPIs are linked to the organizational priorities we set out to achieve each year, and progress is reviewed with the Executive Committee on a quarterly basis, with the scorecard as a whole reset once per year. This scorecard appoints an owner to each metric, which allows us to continually monitor potential threats and measure our progress.

How This Report Was Prepared

This report is prepared according to a robust and documented process. The sustainability function and CRO drafted the report with reviews from Internal Audit, Senior Management and Chair of the NCGC.

Material Topics		Target / Measurement	2022 Performance	Status
ENVIRONMENT	Carbon Footprint*	Argo office GHG emissions (Scope 2) 32.5% reduction against 2019 baseline	Exceeded target, 59% achieved	
		Argo travel GHG emissions (Scope 3) 35% reduction against 2019 baseline	Exceeded target, 66% achieved	
	External Reporting	ClimateWise total score 66%	Exceeded target, achieved 69%	
SOCIAL	Female Leadership – Argo Group	Female Board Members	33%	No set target; measure and monitor
	Giving Back	Corporate Citizenship: Employee volunteer hours	2,353.5 hours	No set target; measure and monitor
	Diversity & Inclusion	Percentage of employees participating in an Employee Resource Group (ERG)	25%	No set target; measure and monitor
GOVERNANCE	Data Privacy & Information Security	Zero breaches	Achieved zero breaches	
	Annual General Meeting	Say on Pay vote: greater than 85%	Exceeded target, achieved 98%	
		Director re-election: greater than 85%	Exceeded target, achieved 100%	

*We have achieved our GHG reduction targets for 2022 and have restated our 2021 results.

Throughout this report, “Argo” or “Argo Group” or “the company” or “we” refers to Argo Group International Holdings, Ltd.

This is our fourth annual ESG report, following our [2022](#), [2021](#) and [2020](#) ESG reports.

For additional information, please refer to the following documents and sources:

- [2022 Form 10-K](#)
- [2022 Proxy Statement](#)
- [2021–2022 ClimateWise Report](#)
- [Argo Group’s website](#)

Unless otherwise noted, all data is as of December 31, 2022, and covers our entire operation. This report provides select data from past year(s) to provide year-over-year analysis.

We define “employee” with respect to employment status as either full-time or part-time status.

All currency is listed in U.S. dollars.

Key Figures

Employee Demographics		2022 Year and 31 Dec	2021 Year and 31 Dec	2020 Year and 31 Dec
Global headcount	No. of employees	1,224	1,290	1,448
	No. of full-time employees	1,206	1,273	1,414
Employees by region	No. of U.S. employees	958	939	1,044
	No. of international employees	266	351	404
Percentage of employees by gender	Women	53%	52.3%	49.8%
	Men	47%	47.7%	50.2%
Hybrid/multi-site employees (U.S.)	Hybrid	39%	38.7%	-
Remote employees (U.S.)	Remote	61%	47.5%	-
Employees by age range (years)	Under 30	15%	16.7%	16.0%
	30–50	54%	56.7%	57.7%
	Over 50	31%	26.6%	26.3%
Recruitment of talent	Number of new hires	285	261	296
	Percentage of women hires	47%	51.1%	47%
Employee ethnicity	Employees who identify as an ethnic minority*	21.9%	22.4%	22.6%
Average tenure (years)	Women	6	7	7
	Men	5	5	5
Parental leave by no. of employees	All Employees	37	45	-

*Voluntary self-disclosure

Eco-Efficiency

Scopes and categories

Scope 1 Direct	2020 MTCO _{2e}	2021 MTCO _{2e}	2022 MTCO _{2e}
Fleet of cars	72.50	44.13	44.13

Scope 2 Indirect	2020 MTCO _{2e}	2021 MTCO _{2e}	2022 MTCO _{2e}
Purchased electricity heating & cooling	1,540.44	932.48	771.66

Scope 3 Indirect	2020 MTCO _{2e}	2021 MTCO _{2e}	2022 MTCO _{2e}
Business travel – Air	1,302.63	334.70	1,471.06
Business travel – Rail	0.249	0	0.04
Business travel – Hotel	30.27	10.38	33.37
Paper consumption	51.256	20.457	22.364
Third-party service providers	-	-	136.76

Notes:

- **Fleet of cars:** In 2019 and 2020, the company had a small fleet of vehicles; in 2021, the fleet decreased in size; and in 2022, the fleet remained the same size as in 2021.
- **Purchased electricity:** In 2021, the totals have been restated based on ability to collect more accurate data for 2019 and 2020.
- **Paper consumption:** Environmental impact estimates were made using the Environmental Paper Network Paper Calculator Version 4.0. Calculations reflect paper consumption in global offices.

Business trips	Units	2020	2021	2022
Air travel	Kilometers (km)	5,478,863	1,431,275	6,290,597
Rail	Kilometers (km)	6,735	0	1,032

kWh consumption	Units	2020	2021	2022
U.S.	kWh	2,559,160	1,485,234	1,381,741
U.K.	kWh	440,040	485,022	177,633
Bermuda	kWh	924,512	201,175	214,618
Other International Offices	kWh	364,678	384,582	149,512
TOTAL	kWh	4,288,390	2,517,362	1,923,504

ARGO GROUP INTERNATIONAL HOLDINGS, LTD. COMMITTEES OF THE BOARD

Audit Committee

Each member of the Audit Committee is “independent” and meets the other requirements for audit committee membership, including financial literacy, as defined by applicable NYSE listing rules and SEC rules for audit committee members. Currently, Mr. Bailey serves as Audit Committee Chair and is qualified as an “audit committee financial expert” within the meaning of applicable SEC rules and regulations governing the composition of the Audit Committee.

The Audit Committee assists the Board in its oversight of (i) the integrity of the Company’s financial statements, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the qualifications and independence of the independent registered public accounting firm, and (iv) the performance of the Company’s internal auditing function (“Internal Audit”) and the independent registered public accounting firm. Its primary responsibilities, among other items, include (a) the appointment, compensation, retention, oversight of the work and termination of the Company’s independent registered public accounting firm, (b) reviewing and discussing the annual audited financial statements and quarterly financial statements with management and the independent registered public accounting firm, (c) reviewing the effectiveness of the Company’s financial reporting processes and internal controls in consultation with management, the independent registered public accounting firm and Internal Audit, including data privacy, information technology security and control, (d) pre-approving all audit and permitted non-audit and tax services to be provided to the Company by the independent registered public accounting firm, in accordance with a pre-approval policy, (e) overseeing Internal Audit’s structure, objectivity, responsibilities and budget, (f) overseeing the implementation and maintenance of the Related Person Transaction Policy, (g) periodically reviewing the Company’s compliance with legal and regulatory requirements, (h) reviewing, approving or ratifying all related



party transactions, and (i) monitoring compliance with the Code of Conduct, including review of conflicts of interest. The Audit Committee establishes procedures for complaints relating to accounting, internal accounting controls or auditing matters as well as procedures for confidential, anonymous submission by Company employees of any concerns regarding questionable accounting or auditing matters. In collaboration with the Risk & Capital Committee, the Audit Committee reviews and discusses with management and Internal Audit 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.

In recommending an independent registered public accounting firm for the Company, the Audit Committee annually considers such auditor's performance and integrity, the experience and qualifications of the lead audit partner, the geographic scope of their practice as compared to the Company's geographic scope, their insurance industry expertise, the appropriateness of their fees, the Public Company Accounting Oversight Board ("PCAOB") reports on the firm and its peers, and other factors that it deems appropriate.

Human Resources Committee

Each member of the Human Resources Committee ("**HR Committee**") is "independent" in accordance with the applicable corporate governance requirements of the listing rules of NYSE as currently in effect. Each member of the HR Committee also qualifies as a "non-employee director" under Section 16 of the Securities Exchange Act of 1934 (the "**Exchange Act**").

The HR Committee assists the Board in its oversight of (i) the performance and compensation of the Company's executive officers and directors, (ii) the Company's succession plans, and (iii) the review of the compensation plans, policies and programs, including the approval of individual executive officer compensation. The HR Committee's responsibilities include, among other items, (a) annually reviewing and approving corporate goals and objectives relevant to the Chief Executive Officer's compensation, and evaluating, at least annually, the Chief Executive Officer's performance in light of those

goals and objectives, (b) reviewing and determining the compensation of the Company's executive officers other than the Chief Executive Officer, (c) reviewing and advising the Board on the adoption, termination or material modification of the Company's material compensation plans, (d) reviewing and discussing with the Company's management the Compensation Discussion and Analysis contained in this proxy statement, (e) producing an annual report on executive compensation for inclusion in the Company's proxy statement, (f) reviewing the results of any advisory shareholder votes on executive compensation, (g) evaluating and recommending to the Board appropriate compensation for the Company's directors, (h) annually reviewing management's succession plans for the Company's Chief Executive Officer and other executive officers, (i) determining and monitoring share ownership guidelines, and (j) periodically reviewing the Company's strategies and policies related to human capital management, including matters such as diversity and inclusion, employee engagement, and health and safety.

Human Resources Committee Interlocks and Insider Participation

With respect to interlocks and insider participation involving a member of the HR Committee during last fiscal year:

- None of the HR Committee members were an officer or employee of the Company or its subsidiaries.
- None of the HR Committee members had any relationship with the Company pursuant to which disclosure would be required under applicable rules of the SEC pertaining to the disclosure of transactions with related persons.
- None of the executive officers of the Company served on the board of directors or compensation committee of any other entity that has or had one or more executive officers who served as a member of the Board or the HR Committee.

Investment Committee

Two of the three members of the Investment Committee are “independent” as defined by the applicable director independence rules of NYSE as currently in effect. The Investment Committee assists the Board in (i) overseeing the Company’s key investment objectives, strategies and policies, (ii) approving the Company’s investment policies, strategies and transactions, and (iii) overseeing the performance of the Company’s investment portfolios. The Investment Committee’s responsibilities include, among other items, (a) approving the Company’s Investment Policy, including the investment guidelines and asset allocation ranges set forth therein, (b) overseeing the Company’s investment transactions and its outside investment managers to determine whether such investment transactions are in accordance with the Company’s Investment Policy, (c) ensuring that appropriate selection criteria are developed to identify and select the Company’s outside investment managers and periodically reviewing the performance of the Company’s outside investment managers, (d) overseeing management’s administration of the Company’s investment portfolio, including recommended strategic asset allocations and the performance of the portfolio under anticipated and stress test scenarios, (e) approving any Company derivative policy, and (f) reviewing management’s analysis and reports on potential hedging programs and derivative transactions.

Nominating and Corporate Governance Committee

Each member of the Nominating and Corporate Governance Committee is “independent” in accordance with the applicable director independence rules of NYSE as currently in effect. The purpose of the Nominating and Corporate Governance Committee is to (i) identify, evaluate and recommend individuals qualified to become members of the Board, (ii) recommend to the Board director nominees to stand for election at each annual meeting of shareholders of the Company or to fill vacancies on the Board, (iii) develop and recommend to the Board a set of corporate governance guidelines applicable to the Company, (iv) oversee the Company’s environmental, social and governance initiatives, and (v) recommend directors for appointments

to one or more of the Board’s standing committees. This committee is also charged with establishing evaluation criteria and an evaluation process for the Board and each of its committees in its self-evaluation process.

Risk & Capital Committee

Two of the three members of the Risk & Capital Committee are “independent” as defined by the applicable director independence rules of NYSE as currently in effect. While the Board has the ultimate responsibility for overseeing and approving the Company’s risk strategy, risk appetite and risk tolerance levels, the Risk & Capital Committee (i) assists the Board in overseeing and reviewing the Company’s enterprise risk management, including the significant policies, procedures, and practices employed to identify, assess and manage insurance risk, credit risk, market risk, operational risk, liquidity risk and reputational risk, and (ii) provides strategic guidance to management as to the Company’s capital structure and other related strategic initiatives. The Risk & Capital Committee also oversees the elements of the Company’s sustainability program specifically related to environmental and climate change risks, and, in coordination with the Nominating and Corporate Governance Committee of the Board, provides input to management on the Company’s environmental, social and governance risks, strategies, policies, programs and practices. Risk management is a collaborative effort of management, the Board, the Risk & Capital Committee, the Audit Committee and several functions within the Company that are focused on risk.



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