Risk Factors Comparison 2024-03-19 to 2023-03-06 Form: 10-K

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Our operations and financial results are subject to various risks and uncertainties, including those described below, that could adversely affect our business, financial condition, results of operations, cash flows, and the trading price of our **securities** ~~common shares~~. Investors should carefully consider these risks, along with the other information included in this Form 10- K and in our other filings with the SEC, before making an investment decision regarding our **securities** ~~common shares~~. There may be additional risks of which we are currently unaware or that we currently consider immaterial. All of these risks could have a material adverse effect on our financial condition, results of operations and / or value of our **securities** ~~common shares~~. • Insurance Underwriting Risks. Insurance underwriting risks include risks related to adverse changes in the value of insurance liabilities, including risks related to an excess or shortage of underwriting capacity, unexpected changes in the claims, legal or social environment, changes to distribution channels, sufficiency of reserves, our ability to compete effectively, **and** breach of the obligations of our agents ~~, as well as insurance risks arising from the ongoing COVID- 19 pandemic~~. • Operational Risks. Operational risks include risks related to employee retention and changes in key personnel, strategies and processes to mitigate insurance risks, ineffective internal controls, information technology, failure to protect confidential information and outsourcing relationships. • Financial Risks. Financial risks cover our market, credit, investment and liquidity risks, which include risks related to the performance of Argo Group' s investment portfolio as well as risks related to the performance of financial markets, economic and political conditions, foreign currency fluctuations, impairments in goodwill and investments, performance of counterparties, ~~the transition from London Interbank Offering Rate (" LIBOR ")~~ and the availability of reinsurance. • Strategic Risks. Strategic risks include risks related to Argo Group' s inability to implement appropriate business plans and strategies, and include risks related to the macroeconomic environment, risk- based capital requirements, the Company' s debt, holding company structure, ratings and strategic transactions. • ~~Risks Associated with the Merger. Risks associated with the merger include our ability to complete the merger with Brookfield Reinsurance Ltd. as timely as expected or at all; the impact of the significant management time and resources expended in an effort to complete the merger; any disruptions to our relationships with third parties and employees or negative publicity or legal proceedings related to the merger; and uncertainty regarding the outcome of the merger. •~~ Reputational Risks. Reputational risks include risks related to the risk of potential loss through a deterioration of Argo Group' s reputation, and include risks related to potential violations of sanctions, anti- corruption or AML regulations, activist ~~shareholder~~ **stockholder** actions and other investor and stakeholder actions. • Legal, Regulatory and Litigation Risks. Legal, regulatory and litigation risks include risks related to the outcome of legal and regulatory proceedings, including regulatory constraints on Argo Group' s business, such as constraints imposed on our Bermuda, U. S., ~~U. K.,~~ or other subsidiaries, risk- based capital and solvency requirements, the outcome of legal proceedings, and limitations on a potential change of control due to Argo Group' s corporate structure. • Taxation Risks. Taxation risks include risks related to the Company and its ~~non- U. S.~~ subsidiaries' potential exposure to various taxes, including **as a result of new, and changes to existing, tax legislation, treaties, and regulations in the jurisdictions in which** the Company ~~' s~~ **, its subsidiaries, and certain of their affiliates have a taxable presence, challenges by tax authorities to our current and historical tax positions and practices, U. S. federal withholding taxes on distributions paid to our** non- U. S. **stockholders** ~~subsidiaries being subject to U. S. federal income tax~~, **and any additional amounts that we may be required** ~~recharacterization of our reinsurance agreements for tax purposes, potential increased tax liabilities due~~ to **pay to such stockholders,** changes ~~in U. S. federal tax laws, U. S. equity security holders' potential exposure~~ to ~~U. S. federal income taxes on the Company' s or its non- U. S. subsidiaries' undistributed earnings and profits~~, ~~reclassification of Argo Group as a passive foreign investment company which could have adverse tax consequences to our~~ - **or our** ~~U. S. shareholders, ineligibility~~ -- **eligibility to qualify** for benefits under **, any** ~~the U. S.- U. K. and U. S.- Ireland~~ income tax **treaties on which we rely;** ~~treaty, transfer pricing adjustments, potential exposure to U. K.~~ and ~~Bermuda~~ **changes in** ~~taxes~~ -- **tax** ~~and the impact~~ **laws in jurisdictions in which we have a taxable presence as a result** of ~~Organisation for Economic Co- operation~~ **the implementation of the Pillar I** and ~~Development (“~~ **Pillar II proposals by the** OECD ~~") recommendations~~. We may be adversely affected by changes in economic and political conditions, including inflation and changes in interest rates. The effects of inflation could cause the cost of claims to rise in the future. Our reserve for losses and loss adjustment expenses (" LAE ") includes assumptions about future payments for settlement of claims and claims handling expenses, such as medical treatments and litigation costs. To the extent inflation causes these costs to increase above reserves established for these claims, we will be required to increase our loss reserves with a corresponding reduction in our net income in the period in which the deficiency is identified. Furthermore, if we experience deflation or a lack of inflation going forward and interest rates are low or decline, we could experience low portfolio returns because we hold fixed income investments of fairly short duration. Additionally, our operating results are affected, in part, by the performance of our investment portfolio. Our investment portfolio may be adversely affected by inflation or changes in interest rates. Such adverse effects include the potential for realized and unrealized losses in a rising interest rate environment or the loss of income in an environment of prolonged low interest rates. Such effects may be further impacted by decisions made regarding such things as portfolio composition and duration given the prevailing market environment. Although we attempt to take measures to manage the risks of investing in changing interest rate environments, we may not be able to mitigate interest rate sensitivity effectively. Argo Re' s pro forma ECR ratio is currently in excess of the Company' s risk tolerance. If Argo Re' s ECR ratio falls below the Company' s risk tolerance, Argo Re' s ability to pay dividends to the Company will be restricted. Economic and political conditions, including inflation and fluctuation in interest rates or failure to maintain Argo Re' s ECR

ratio in excess of the Company’ s risk tolerance would have a material adverse effect on our business, results of operations, financial condition and our ability to pay dividends to ~~shareholders~~ **stockholders** . Our insurance subsidiaries are subject to risk-based capital and solvency requirements in their respective regulatory domiciles and any failure to comply with these requirements may have a material adverse effect on our business. A risk- based capital system is designed to measure whether the amount of available capital is adequate to support the inherent specific risks of each insurer. Risk- based regulatory capital is calculated at least annually. Authorities use the risk- based capital formula to identify insurance companies that may be undercapitalized and thus may require further regulatory attention. The formulas prescribe a series of risk measurements to determine a minimum capital amount for an insurance company, based on the profile of the individual company. The ratio of a company’ s actual policyholder surplus to its minimum capital requirements will determine whether any regulatory action is required based on the respective local thresholds. The application and methods of calculating risk- based regulatory capital are subject to change, and the ultimate impact on our solvency position from any future material changes cannot be determined at this time. **We** ~~Whereas the majority of our operations operate on the basis of ‘ standard formula’ risk- based capital systems, the Argo Lloyd’ s Platform consisting of Syndicate 1200 has secured approval from Lloyd’ s for the use of customized Economic Capital Models, known as the Internal Models. These models are used to calculate regulatory capital requirements based on each Syndicate’ s unique risk profile. The Internal Models have been subject to extensive internal and external scrutiny including independent validation activities. The use of any complex mathematical model however exposes the organization to the risk that these models are not built correctly, contain coding or formulaic errors or rely on unreliable or inadequate data. As a result of these and other requirements, we~~ may have future capital requirements that may not be available to us on commercially favorable terms. Regulatory capital and solvency requirements for our future capital requirements depend on many factors, including our ability to underwrite new business, risk propensity and ability to establish premium rates and accurately set reserves at levels adequate to cover expected losses. To the extent that the funds generated by insurance premiums received and sale proceeds and income from our investment portfolio are insufficient to fund future operating requirements and cover incurred losses and loss expenses, we may need to raise additional funds through financings or curtail our growth and reduce in size. Uncertainty in the equity and fixed maturity securities markets could affect our ability to raise additional capital in the public or private markets. Any future financing, if available at all, may be on terms that are not favorable to us and our ~~shareholders~~ **stockholders** . In the case of equity financing, dilution to current shareholdings could result, and the securities issued may have rights, preferences and privileges that are senior or otherwise superior to those of our **shares of** common ~~shares~~ **stock** . Failure to comply with the capital requirement laws and regulations in any of the jurisdictions where we operate, including the U. S., the E. U., or Bermuda could result in remedial plans to rectify any capital level shortfalls that could require capital contributions and / or other actions, administrative actions and / or penalties imposed by a particular governmental or self- regulatory authority, unanticipated costs associated with remedying such failure or other claims, harm to our reputation, restrictions or prohibitions on the payment of dividends or other forms of distributions, or interruption of our operations, any of which could have a material and adverse impact on our business, financial position, results of operations, liquidity and cash flows. The outcome of legal and regulatory proceedings, investigations, inquiries, claims and litigation related to our business operations, and changes in the legal environment, may have a material adverse effect on our results of operations and financial condition. We are regularly subject to, and are currently involved in, legal and regulatory proceedings, investigations, inquiries, claims and litigation in connection with our business operations. Due to the inherent uncertainty of the outcomes of such matters, there can be no assurance that the resolution of any particular claim or proceeding would not materially adversely affect our results of operations and financial condition. Determining legal reserves or possible losses from such matters involves judgment and may not reflect the full range of uncertainties and unpredictable outcomes. Should any of our estimates and assumptions change or prove to have been incorrect, it could have a material adverse effect on our financial position, results of operations and cash flows. Investigations, inquiries, disputes, claims and regulatory and legal and arbitration proceedings, including securities, derivative action and class action litigation, can be expensive and disruptive and could materially adversely affect our financial position, results of operations and cash flows. Such matters, even if pending or not ultimately substantiated or if indemnified or insured, may adversely impact us, including by disrupting our operations, diverting management resources and harming our reputation. Significant changes in the legal environment could cause our ultimate liabilities to change from our current expectations. Such changes could be judicial in nature, like trends in the size of jury awards, developments in the law relating to tort liability or the liability of insurers, and rulings concerning the scope of insurance coverage or the amount or types of damages covered by insurance. In addition, changes in federal or state laws and regulations relating to the liability of insurers or policyholders, including state laws expanding “ bad faith ” liability and state “ reviver ” statutes, extending statutes of limitations for certain abuse claims, could result in changes in business practices, additional litigation, or could result in unexpected losses, including increased frequency and severity of claims. It is impossible to forecast such changes reliably, much less to predict how they might affect our loss reserves or how those changes might adversely affect our ability to price our insurance products appropriately. Thus, significant judicial or legislative developments could adversely affect our business, financial condition, results of operations and liquidity. Insurance underwriting risks are defined as the risk of loss, or adverse change in the value of insurance liabilities, due to inadequate pricing and / or reserving practices. These risks may be caused by the fluctuations in timing, frequency and severity of insured events and claim settlements in comparison to the expectations at the time of underwriting. We may incur income statement charges if the reserves for losses and loss adjustment expenses are insufficient (or redundant). Such income statement charges could be material, individually or in the aggregate, to our financial condition and operating results in future periods. General Loss Reserves We maintain reserves for losses and loss adjustment expenses to cover estimated ultimate unpaid liabilities with respect to reported and unreported claims incurred as of the end of each balance sheet date. Reserves do not represent an exact calculation of liability, but instead represent management’ s best estimates, which take into account various statistical and actuarial projection techniques as well as other influencing factors.

Multiple actuarial methods are used in developing the ultimate claims liability. Each method has its own set of assumption variables and its own advantages and disadvantages. The relative strengths and weaknesses of a particular estimation method when applied to a particular group of claims can also change over time. Variables in the reserve estimation process can be affected by both internal and external events, such as changes in claims handling procedures, economic and social inflation, legal precedent and legislative changes. Social, economic, political and environmental issues, including rising income inequality, climate change, prescription drug use and addiction, exposures to new substances or those previously considered to be safe, along with the use of social media to proliferate messaging around such issues, has expanded the theories for reporting claims, which may increase our claims administration and / or litigation costs. State and local governments' increased efforts aimed to respond to the costs and concerns associated with these types of issues, may also lead to expansive, new theories for reporting claims or may lead to the passage of " reviver " statutes that extend the statute of limitations for the reporting of these claims, including statutes passed in certain states with respect to abuse claims. In addition, these and other social, economic, political and environmental issues may either extend coverage beyond our underwriting intent or increase the frequency or severity of claims. In addition, many of these items are not directly quantifiable, particularly on a prospective basis, and there may be significant reporting lags between the occurrence of an insured event and the time it is actually reported to the insurer. During such a time lag, there may be development of claims that varies from that which was expected when loss reserves were established, adverse legal rulings which may impact the liability under insurance contracts beyond that which was anticipated when the reserves were established, and development of new theories related to coverage which may increase liabilities under insurance contracts beyond that which were anticipated when the loss reserves were established. Given the long- tail nature of some of our claims, judgement used in selecting actuarial assumptions and weighing the indications of the various actuarial methods in developing our ultimate loss selection may have a material impact on our reserves. Construction defect and professional liability claims are two examples where determining the ultimate claims liability can be complex and challenging. Claims on these lines are subject to greater inherent variability than is typical of the remainder of the Company' s reserves, and are highly dependent upon court settlements, economic conditions, and the predictability of those results inherently have a larger range of potential outcomes. For example, for the construction defect lines the Company' s reserve estimates for recent accident years rely heavily on expected loss ratios that are derived from analysis of rate changes, changes in underwriting, and other factors which are all effected by market conditions. While the Company believes the methods used to measure these changes are reasonable with input from the claims and underwriting departments, it is difficult to precisely measure the potential impacts on the Company' s reserves. Although reserve estimates are continually reevaluated in a regular ongoing process, because the calculation and setting of the reserves for losses and loss adjustment expenses is an inherently uncertain process dependent on estimates, our existing reserves may be insufficient or redundant and estimates of ultimate losses and loss adjustment expenses may increase or decrease over time. While we actively manage our risk exposure through underwriting limits and processes and further mitigate it through the purchase of reinsurance protection, including loss portfolio transfers, our losses could exceed our reinsurance limits which may have a material adverse impact on our business, results of operations and / or financial condition. In light of these inherent uncertainties and as a result of our ~~fourth quarter 2022~~ **2023** reserve review, we recorded prior year reserve development of $ ~~64~~ **267** . ~~7~~ **9** million **for the period January 1, 2023 through November 15, 2023 (Predecessor). There was no prior year reserve development for the period November 16, 2023 through December 31, 2023 (Successor)** . The largest reserve increases were primarily related to liability **and professional** lines within the Company' s U. S. Operations, including the impact of large losses. The increases were partially offset by favorable development in specialty lines within the Company' s U. S. ~~and International~~ Operations. Such reserves were established in accordance with applicable insurance laws and U. S. GAAP. For further discussion of our loss reserves, please see Part II, Item 7 " Management' s discussion and analysis of financial condition and results of operations- Critical accounting policies, estimates and recent accounting pronouncements " and " Management' s discussion and analysis of financial condition and results of operations- Reserves for losses and loss adjustment expenses. " Asbestos and Environmental Liability Loss Reserves In addition to the previously described general uncertainties encountered in estimating reserves, there are significant additional uncertainties in estimating the amount of our potential losses from asbestos and environmental claims. Reserves for asbestos and environmental claims cannot be estimated with traditional loss reserving techniques that rely on historical accident year development factors due to the uncertainties surrounding these types of claims. Among the uncertainties impacting the estimation of such losses are: • difficulty in identifying sources of or exposure to environmental or asbestos contamination; • uncertainty regarding the number and identity of insureds with potential asbestos or environmental exposure; • changes in underlying laws and judicial interpretation of asbestos- related laws, including with respect to the interpretation and application of insurance coverage; and • difficulty in properly allocating responsibility and / or liability for environmental or asbestos damage. Although we have established reserves to account for our exposure to asbestos and related environmental liability claims, management believes these factors continue to render traditional actuarial methods less effective at estimating reserves for asbestos and environmental losses than reserves on other types of losses. In addition, there is no assurance that future adverse development will not occur, and such development may have an adverse effect on our results of operations. Black Lung Disease Loss Reserves Through workers compensation coverage provided to coal mining operations by our subsidiary Rockwood, we have exposure to claims for black lung disease. Those diagnosed with black lung disease are eligible to receive workers compensation benefits from various U. S. federal and state programs. These programs are continually being reviewed by the governing bodies and may be revised without notice in such a way as to increase our level of exposure. As described above, estimates of ultimate losses and loss adjustment expenses may increase in the future. Such changes in estimates could be material, individually or in the aggregate, to our future operating results and financial condition. We can provide no assurances such capital will be available. Additional information relating to our reserves for losses and loss adjustment expense is included under Item 7, " Management' s Discussion and Analysis of Financial Condition and Results of Operations " and Note 7, " Reserves for Losses and Loss

Adjustment Expenses, " in the Notes to Consolidated Financial Statements. We operate in a highly competitive environment and no assurance can be given that we will continue to be able to compete effectively in this environment. We compete with numerous companies that provide casualty, property and specialty lines of insurance and related services. Some of those companies have a larger capital base and are more highly rated than we are. No assurance can be given that we will be able to continue to compete successfully in the insurance market. Increased competition in these markets could result in a change in the supply and / or demand for insurance, affect our ability to price our products at risk- adequate rates and retain existing business or underwrite new business on favorable terms. If this increased competition limits our ability to transact business, our operating results could be adversely affected. Our insurance subsidiaries have exposure to unpredictable and unexpected changes in the claims environment or catastrophes and terrorist acts that can materially and adversely affect our business, results of operations and / or financial condition. Emerging Claims Changes in industry practices and legal, judicial, social, technological and other environmental conditions may have an unforeseeable adverse impact on claims and coverage issues. This could include the impact of " social inflation, " which is generally described by the rising costs of insurance claims due to societal trends which may result in increased litigation, broader definitions of liability and contractual interpretations, plaintiff- friendly legal decisions, larger compensatory jury awards, and larger awards for non- economic damages. These issues may adversely affect our business, such as by extending coverage beyond the intended scope at the time of underwriting business or increasing the number or size of expected claims. In some instances, these changes may not become apparent until sometime after insurance contracts that are affected were issued and hence cannot be appropriately factored into the underwriting decision. As a result, the full extent of liability under such insurance contracts may not be known for many years after these contracts have been issued, and our financial position and results of operations may be materially and adversely affected in such future periods. We maintain an emerging risk identification, analysis and reporting process, overseen by our Emerging Risk Review Group, as part of our enterprise risk framework, which seeks to provide an early identification of such trends. The effects of these and other unforeseen evolving or emerging claims and coverage issues are inherently difficult to predict. Catastrophic Losses We are subject to claims arising out of catastrophes that may have a significant effect on our business, results of operations and / or financial condition. Catastrophes can be caused by various events, including tornadoes, hurricanes, windstorms, tsunamis, earthquakes, hailstorms, explosions, power outages, severe winter weather, wildfires and man- made events, including civil unrest. The incidence and severity of such catastrophic events are inherently unpredictable, and our losses from catastrophes could be substantial. Logistical challenges in responding to such events, resource constraints and other difficulties in resolving associated claims may ultimately result in higher claim amounts than expected. Insurance companies are generally not permitted to reserve for probable catastrophic events until they occur. Therefore, although we will actively manage our risk exposure to catastrophes through underwriting limits and processes, and further mitigate it through the purchase of reinsurance protection and other hedging instruments, an especially severe catastrophe or series of catastrophes could exceed our reinsurance or hedging protection and may have a material adverse impact on our business, results of operations and / or financial condition. Terrorism We are exposed to the risk of losses resulting from acts of terrorism. Reinsurers are able to exclude coverage for terrorist acts or price that coverage at rates that we consider attractive. However, direct insurers, like our primary insurance company subsidiaries, might not be able to likewise exclude coverage of terrorist acts because of regulatory constraints. Terrorism exclusions are not permitted in the U. S. for worker' s compensation policies under U. S. federal law or under the laws of any state or jurisdiction in which we operate. When underwriting existing and new workers compensation business, we consider the added potential risk of loss due to terrorist activity, including foreign and domestic, and this may lead us to decline to underwrite or to renew certain business. However, even in lines where terrorism exclusions are permitted, our clients may object to a terrorism exclusion in connection with business that we may still desire to underwrite without an exclusion, some or many of our insurance policies may not include a terrorism exclusion. Given the reinsurance retention limits imposed under the TRIA and its subsequent legislative extensions, and that some or many of our policies may not include a terrorism exclusion, future foreign or domestic terrorist attacks may result in losses that have a material adverse effect on our business, results of operations and / or financial condition. See " Item 1. Business- Regulation " for a description of the applicability of the TRIA and the Terrorism Risk Insurance Program Reauthorization Act of 2014 to the Argo Group of Companies and its U. S. operations. In the event coverage of terrorist acts cannot be excluded, we, in our capacity as a primary insurer, would have a significant gap in our own reinsurance protection with respect to potential losses as a result of any terrorist act. It is impossible to predict the occurrence of such events with statistical certainty and difficult to estimate the amount of loss per occurrence they will generate. If there is a future terrorist attack, the possibility exists that losses resulting from such event could prove to be material to our financial condition and results of operations. Terrorist acts may also cause multiple claims, and there is no assurance that our attempts to limit our liability through contractual policy provisions will be effective. ~~The ongoing COVID- 19 pandemic, including the impact of new strains of the virus, could adversely affect our business, including revenues, profitability, results of operations, and / or cash flows, in a manner and to a degree that cannot be predicted but could be material. The global COVID- 19 pandemic, including the arrival of new strains of the virus, has resulted in, and is expected to continue to result in, significant disruptions in economic activity and financial markets worldwide. COVID- 19 has directly and indirectly adversely affected the Company and may continue to do so for an uncertain period of time. The Company did not incur any COVID- 19 catastrophe losses during the year ended December 31, 2022. Capital resources were adversely impacted during 2022 by rising interest rates and decreasing fixed income portfolio values which may be connected to the changes in supply and demand created during the COVID- 19 pandemic. Our liquidity was not materially impacted by COVID- 19 during the year ended December 31, 2022. The extent to which COVID- 19 will continue to impact our business will depend on future developments, and while we have recorded our best estimates of this impact as of and for the year ended December 31, 2022, actual results in future periods could materially differ from those disclosed herein. The continued effects of COVID- 19 and its variants on the Company cannot be predicted at this time, but could include, without limitation: • Increased claims, losses, litigation, and related~~

~~expenses, • Increased vulnerability to cyberthreats or other disruption in our operations in connection with our employees working remotely with greater frequency, • Increased losses due to legislative, regulatory, and judicial actions in response to COVID- 19, including, but not limited to, actions prohibiting us from cancelling insurance policies in accordance with our policy terms, requiring us to cover losses when our policies did not provide coverage or excluded coverage, ordering us to provide premium refunds, granting extended grace periods for payment of premiums, and providing for extended periods of time to pay past due premiums, • Volatility and declines in financial markets which, in response to COVID- 19, has reduced, and could continue to reduce, the fair market value of, or result in the impairment of, invested assets held by the Company, • An increase in claims as a result of the COVID- 19 pandemic. Ultimate losses from COVID- 19- related claims could be greater than our reserves for those losses, • Reduced demand for our insurance policies due to reduced economic activity which could negatively impact our revenues, • An increase in loss costs and, as such, the need to strengthen reserves for losses and loss adjustment expenses due to higher than anticipated inflation as a result of recent actions taken by the federal government and the Federal Reserve, • Reduced cash flows from our policyholders delaying premium payments, • Erosion of capital and an increase in the cost of reinsurance as well as an increase in counterparty credit risk, and • Disruptions in our operations due to difficulties experienced by our partners and outsourced providers that may, among other items, adversely impact our ability to manage claims. These factors and others that are currently unknown related to the COVID- 19 pandemic could materially and adversely Company' s business, liquidity, results of and may also have the effect of heightening many of the other risks described in these Risk Factors.~~ Global climate change, as well as increasing related regulation, may have an adverse ~~affect~~ **effect** on our business, financial results and operations. We are exposed to physical and transition risks as a result of global climate change, and classify climate change as a material emerging risk. Physical risks arise from the direct effects of climate change, such as the destruction of property and infrastructure, which may result in a business interruption. Transition risks arise from the process of transitioning towards a low- carbon economy, primarily from extensive policy, legal / regulatory, technology, social and market changes in support of this transition. In addition, we may be exposed to losses in the value of our investments arising from the physical and transition impacts of climate change, including' stranded assets', on the companies and securities in which we invest. We manage a well- diversified portfolio, both geographically and by sector, and we monitor our investment- allocation strategies as the economy transitions toward long- term decarbonization, allowing us to adjust our exposure to sectors and / or geographical areas that face severe risks due to climate change. Despite these efforts, there remains a risk that our financial condition or operating performance may be impacted by changes in our business model arising from climate change transition, and by the performance of strategies we put in place to manage this transition. Physical Risks A rise in the frequency of extreme weather events has increased natural disaster- related insurance claims, particularly from underwriting property insurance, requiring us to consider changes in premiums, product coverages, underwriting practices, and reinsurance utilization. Changes in climate conditions may also cause our underlying modeling data to no longer appropriately reflect the frequency and severity, limiting our ability to effectively evaluate and manage the related risks, of catastrophes and severe weather events. Over the longer term, climate change may also have an impact on the economic viability of certain lines of business if suitable adjustments in price and coverage cannot be achieved. Climate change has been, and continues to be, a significant factor in the property insurance and reinsurance businesses and is something we have considered when reassessing our lines of business and our risk appetite for catastrophe- exposed property insurance. The effects of climate change could also lead to increased credit risk of other counterparties we transact business with, including reinsurers. Transition Risks We may face market pressure to contribute to a low- carbon economy, including, to no longer underwrite risks for carbon- intensive business (reducing insurance liability exposure) and to no longer invest in carbon- intensive business (reduce insurance asset portfolio exposure). There is a risk that certain elements of our business cease to be viable as a result of such climate change ' transition'. Additionally, government policies or regulations to slow climate change, such as emission controls or technology mandates, may have an adverse impact on sectors such as utilities, transportation and manufacturing, affecting demand for our products and our investments in these sectors. As part of the transition risks, we may also face liability associated with allegations of failure to mitigate or adapt to climate change risk or associated disclosure failures. We are subject to complex and changing laws, regulation and public policy debates relating to climate change which are difficult to predict and quantify and may have an adverse impact on our business. Changes in regulations relating to climate change or our own decisions implemented as a result of assessing the impact of climate change on our business may result in an increase in the cost of doing business or a decrease in premiums in certain lines of business. Because there is significant variability associated with the impacts of climate change, we cannot predict how legal, regulatory and social responses may impact our business. Because our business is dependent upon insurance and reinsurance agents and brokers, we are exposed to certain risks arising out of distribution channels that could cause our results to be adversely affected. We market and distribute some of our insurance products and services through a select group of wholesale agents who have limited quoting and binding authority and who, in turn, sell our insurance products to insureds through retail insurance brokers. These agencies can bind certain risks that meet our pre- established guidelines. If these agents fail to comply with our underwriting guidelines and the terms of their appointment, we could be bound on a particular risk or number of risks, that were not anticipated, when we developed the insurance products. Such actions could adversely affect our results of operations. Additionally, in any given period, we may derive a significant portion of our business from a limited number of agents and brokers and the loss of any of these relationships, or significant changes in distribution channels resulting in loss of access to market through those agents and brokers, could have a significant impact on our ability to market our products and services. In accordance with industry practice, we may pay amounts owed on claims under our insurance and reinsurance contracts to brokers and / or third- party administrators who in turn remit these amounts to our insureds or reinsureds. Although the law is unsettled and depends upon the facts and circumstances of each particular case, in some jurisdictions in which we conduct business, if an agent or broker fails to remit funds delivered for the payment of claims, we may remain liable to our insured or reinsured ceding insurer for the deficiency. Likewise, in certain jurisdictions, when the

insured or reinsured pays the remitting funds to our agent or broker in full, our premiums are considered to have been paid in full, notwithstanding that we may or may not have actually received the premiums from the agent or broker. Consequently, we assume a degree of credit risk associated with certain agents and brokers with whom we transact business. The insurance business is historically cyclical, and we may experience periods with excess underwriting capacity and unfavorable premium rates; conversely, we may have a shortage of underwriting capacity when premium rates are strong, both of which could adversely impact our results. Historically, insurers and reinsurers have experienced significant fluctuations in operating results due to competition, frequency and severity of catastrophic events, levels of capacity, adverse trends in litigation, regulatory constraints, general economic conditions and other factors. The supply of insurance is related to prevailing prices, the level of insured losses and the level of capital available to the industry that, in turn, may fluctuate in response to changes in rates of return on investments being earned in the insurance industry. As a result, the insurance business historically has been a cyclical industry characterized by periods of intense price competition due to excessive underwriting capacity as well as periods when shortages of capacity increased premium levels. Demand for reinsurance depends on numerous factors, including the frequency and severity of catastrophic events, levels of capacity, introduction of new capital providers, general economic conditions and underwriting results of primary insurers. The supply of reinsurance is related to prevailing prices, recent loss experience and capital levels. All of these factors fluctuate and may contribute to price declines generally in the reinsurance industry. We cannot predict with certainty whether market conditions will improve, remain constant or deteriorate. Negative market conditions may impair our ability to underwrite insurance at rates that we consider appropriate and commensurate relative to the risk assumed. If we cannot underwrite insurance at appropriate rates, our ability to transact business would be materially and adversely affected. Any of these factors could lead to an adverse effect on our business, results of operations and / or financial condition. Our agents, producers, or other third parties may exceed their underwriting authorities, commit fraud or otherwise breach obligations owed to us, which could adversely affect our results of operations and financial condition. We authorize managing general agents, general agents and other producers to write business on our behalf from time to time within underwriting authorities we prescribe. We rely on the underwriting controls of these agents and producers to write business within these underwriting authorities. Our monitoring efforts may not be adequate and our agents and producers may exceed their underwriting authorities or otherwise breach obligations owed to us. There is also the risk that we may be held responsible for obligations that arise from the acts or omissions of third parties if they are deemed to have acted on our behalf. In addition, our agents, producers, insureds or other third parties may commit fraud or otherwise breach their obligation to us. To the extent that our agents, producers, insureds or other third parties exceed their authorities, commit fraud or otherwise breach obligations owed to us, our operating results and financial condition may be materially adversely affected. Operational risk refers to the risk of loss arising from inadequate or failed internal processes, people, systems or the operational impact of external events. This risk encompasses all exposures faced by functions and services rendered in the course of conducting business including, but not limited to, underwriting, accounting and financial reporting, business continuity, claims management, information technology and data processing, legal and regulatory compliance, outsourcing and reinsurance purchasing. We may be unable to attract and retain qualified employees and key executives. We depend on our ability to attract and retain experienced underwriting talent, skilled employees and seasoned key executives who are knowledgeable about our business. The pool of highly skilled employees available to fill our key positions may fluctuate based on market dynamics specific to our industry and overall economic conditions. As such, higher demand for internal leaders and employees having desired talents could lead to increased compensation expectations for existing and prospective personnel, making it difficult for us to recruit and retain key employees and / or maintain labor costs at desired operating levels. If we are unable to attract and retain such talented team members and leaders, we may be unable to maintain our current competitive position in the specialized markets in which we operate and be unable to expand our operations into new markets, which could adversely affect our results. Argo ~~Group and its subsidiaries, Argo~~ Re **has** ~~and Argo Insurance Services Bermuda, Ltd., acting on behalf of Syndicate 1200, have~~ operations that require highly skilled personnel to work in Bermuda. The ability to fill certain highly skilled key positions in Bermuda is constrained by Bermuda law, which provides that non- Bermudians are not permitted to engage in any occupation in Bermuda without an approved work permit from the Bermuda Department of Immigration. If the Bermuda Department of Immigration changes its current policies with respect to work permits, and as a result these key employees are unable to work in Bermuda, our operations could be disrupted and our financial performance could be adversely affected. In addition, offices in foreign jurisdictions, such as Bermuda, U. K. and Dubai, may have residency and other mandatory requirements that affect the composition of its local boards of directors, executive teams and choice of third- party service providers. Due to the competition for available talent in such jurisdictions, we may not be able to attract and retain personnel as required by our business plans, which could disrupt operations and adversely affect our financial performance. Loss of our executive officers or other key personnel or other changes to our management team could disrupt our operations or harm our business. We depend on the efforts of our executive officers and certain key personnel. Any unplanned turnover or our failure to develop an adequate succession plan or business continuity plan for one or more of our executive officers or other key positions could deplete our institutional knowledge base and erode our competitive advantage. The loss or limited availability of the services of one or more of our executive officers or other key personnel, or our inability to recruit and retain qualified executive officers or other key personnel in the future, could, at least temporarily, have a material adverse effect on our operating results and financial condition. Leadership transitions can be inherently difficult to manage, and an inadequate transition may cause disruption to our business, including to our relationships with our customers and employees. Our strategies and processes to mitigate insurance risk may fail and have an adverse effect on our business. We use a number of strategies and processes to mitigate our insurance risk exposure including: • engaging in disciplined and rigorous underwriting within clearly defined risk parameters and subject to various levels of oversight by experienced underwriting professionals; • undertaking technical analysis to inform pricing decisions; • carefully evaluating terms and conditions of our policies; • focusing on our risk aggregations by geographic zones, industry type, credit exposure and

other bases; and • ceding insurance risk to reinsurance companies. However, there are inherent limitations to the effectiveness of these strategies and processes. No assurance can be given that a failure to maintain or follow such processes or controls, an unanticipated event or series of such events will not result in loss levels that could have a material adverse effect on our financial condition or results of operations. If we fail to maintain an effective system of disclosure controls and internal controls over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired. **We** ~~As a public company, we~~ are required to maintain effective disclosure controls and procedures and internal control over financial reporting. Effective internal controls are necessary for us to provide reliable financial reports and prevent fraud. Our management does not expect that our disclosure controls or our internal controls over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. As a result of the inherent limitations in all control systems, our evaluation of controls cannot provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons or by collusion of two or more people. Additionally, the design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. As a result, our internal controls over financial reporting may have gaps or other deficiencies. Any such gaps or deficiencies may require significant resources to remediate, could cause delays in our filing of quarterly or annual financial results, require the attention of management, and may also expose us to litigation, regulatory fines or penalties, or other losses. Inadequate process design or a failure in operating effectiveness could result in a material misstatement of our financial statements due to, but not limited to, poorly designed systems, changes in end- user computing, poorly designed IT reports, ineffective oversight of outsourced processes, failure to perform relevant management reviews, accounting errors or duplicate payments, any of which could result in a restatement of financial accounts. If our management team is unable to assert that our internal control over financial reporting is effective as of the end of a fiscal year or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control over financial reporting, investor confidence in the accuracy and completeness of our financial statement and reports could be negatively impacted, which may have an adverse effect on our reputation and stock price. We are dependent on our information technology ~~network and~~ systems **,** which could fail or suffer a cybersecurity breach, which could adversely affect our business, reputation, results of operations or financial condition or result in the loss of sensitive information. Our business is highly dependent upon the successful and uninterrupted functioning of our **computer** ~~information technology network~~ and **data processing** systems for various purposes, including accounting, policy administration, actuarial and other modeling functions necessary for underwriting business, and claims and payment processing. Certain of our operations are also dependent upon systems operated by third parties, including administrators, market counterparties and their sub- custodians and other service providers, and our service providers may also depend on information technology systems. Notwithstanding the diligence that we perform on our service providers, we may not be ~~able~~ **in a position** to verify the risks or reliability of such ~~third- party~~ information technology systems. While we are not aware of a material cybersecurity breach to date, we have no assurance that **such** a breach will not occur **. We must continuously monitor and develop our information technology networks and infrastructure** in **an effort to prevent, detect, address and mitigate** the ~~future~~ **risk of threats to our data and systems, including malware and computer virus attacks, ransomware, unauthorized access, business e- mail compromise, misuse, denial- of- service attacks, system failures and disruptions** . Incidents of publicly reported cyber security incidents have increased ~~over~~ **recently and the insurance sector as a whole is more exposed than in** the past ~~few years~~ . Over time, and particularly recently, the sophistication of these threats has continued to increase ~~. The potential consequences of a material cybersecurity incident include disruption to business operations, a loss of confidential information, reputational damage, litigation with third parties, and remediation costs, which in turn could have a material impact on our results of operation or financial condition. In some cases, such unauthorized access may not be immediately detected. We may also be adversely impacted by successful cyberattacks of business partners, vendors and others in our supply chain with whom we conduct business or share information. This may impede or interrupt our business operations and could adversely affect our consolidated financial condition or results of operations. We also operate in a number of jurisdictions with strict data privacy and other related laws, which could be violated in the event of a significant cybersecurity incident. Failure to comply with these obligations can give rise to monetary fines and other penalties that could be material~~ . Although we have implemented multiple layers of protection to minimize the risks to systems, personal ~~information~~ **data** and the privacy of individuals, including robust training, review, and audit procedures, there is no assurance that our **security measures, including** information security **policies,** ~~and data protection measures~~ will provide ~~adequate~~ **fully effective** protection from such events. **We must continuously monitor international risks associated with our global operations, including impacts from military conflicts or political instability, such as the ongoing war between Russia and Ukraine. Although we cannot predict the ultimate impacts, military conflicts or political instability may create a heightened risk of threats resulting in cyber activities against our operations. In addition, we are investing in artificial intelligence (" AI "), and AI based platforms are increasingly being used by third- parties. Increased adoption of AI technologies may increase cybersecurity risks. The potential consequences of a material cybersecurity incident include disruption to business operations, a loss of confidential information, reputational damage, litigation with third parties, and remediation costs, which in turn could have a material impact on our results of operation or financial condition.** While we continue to maintain and review our cyber liability insurance protection **, providing for first party and**

third- party losses , such insurance may not provide insurance coverage for all of the costs and damages associated with the consequences of a cybersecurity incident. **In some cases, such unauthorized access** ~~We have been required to further rely on our information technology network and systems as our employees are working remotely with greater frequency in response to the COVID- 19 pandemic. Remote working environments~~ may **not** be **immediately detected** ~~less secure and more susceptible to hacking attacks, including phishing and social engineering attempts~~ . **This may impede** ~~While administrative and technical controls, along with other preventive actions, reduce the risk of cyber incidents and protect our~~ - **or interrupt** ~~information technology, they may be insufficient to thwart cyberattacks and / or~~ **our** ~~prevent other security breaches to our systems. In addition to cyber- attack risk, we face system availability risk. Our~~ business **operations** ~~relies heavily on various information technology and application systems that may be impacted by an~~ **and could adversely affect** ~~unplanned loss of availability unrelated to malicious cyber- attacks. A failure in one or~~ **our consolidated financial condition** ~~more systems, including those at facilities where we or our~~ - **or** ~~vendors operate systems, may interrupt our ability to operate and negatively impact our~~ results of operations. Any failure to protect the **confidential** customer ~~personal~~ information that we handle routinely could adversely affect our business, reputation, results of operations or financial condition. We are subject to a ~~range~~ **number** of data ~~protection~~ **privacy** laws and regulations enacted in the jurisdictions in which we do business. See " Item 1. Business — Regulation " for a description of the ~~applicable~~ **applicability of certain cybersecurity and** data protection regulations and requirements ~~.~~ **on the** Argo Group ~~recognizes the importance of maintaining data protection for the customer information, including any personal information, we collect and process. We have established policies, standards, and procedures to assist in our compliance with applicable data protection laws and regulations~~ . We are not aware of a material privacy breach to date, and specifically no material events involving **Personal Information (" PI ") or** customer information, but we have no assurance that **such** a breach will not occur in the future **. A misuse or mishandling of personal information being sent to or received from a client, employee or third party could damage our businesses or our reputation or result in significant monetary damages, regulatory enforcement actions, fines and criminal prosecution in one or more jurisdictions** . We routinely transmit, receive and store certain types of personal information by email and other electronic means. Although we attempt to protect this personal information and have implemented robust privacy protection standards and training programs to mitigate the risk of a privacy breach, we may be unable to protect personal information in all cases, especially ~~when such information is shared~~ with customers, business partners, and other third parties who may not have or use appropriate controls to protect personal information. ~~The misuse~~ **We are continuously evaluating and enhancing systems and creating new systems and processes** , ~~mishandling,~~ **including to maintain or upgrade** ~~or~~ **our** ~~compromise~~ **business continuity plans (including, for example, use** of **cloud services), as our business depends on our ability to maintain and improve our technology systems for interacting with customers, brokers and employees. Due to the complexity and interconnectedness of** ~~the~~ **these systems and processes** ~~personal information we collect~~ , **these changes, as well as changes designed to update and enhance our protective measures to address new threats, increase the risk of a system or** process ~~, and retain~~ **failure or the creation of a gap in the associated security measures. Any such failure or gap** could ~~damage~~ **adversely affect** our ~~businesses~~ -- **business operations** and ~~our reputation~~ **the advancement of** ~~or~~ **our business** ~~result in significant monetary damages, regulatory enforcement actions, fines and criminal prosecution in one~~ or ~~more jurisdictions~~ **strategic initiatives** . The potential consequences of a material privacy ~~breach~~ **incident** include reputational damage ~~, investigations~~ , litigation with third parties, regulatory fines, **and** ~~sanctions, or~~ penalties ~~,~~ and associated remediation costs, which in turn could have a material impact on our results of ~~operations~~ - **operation** or financial condition. While we **continue to** maintain and ~~periodically~~ review our cyber liability insurance **protection** , such insurance may ~~be inadequate and / or~~ not **provide insurance** ~~cover~~ **coverage** ~~indirect~~ **for all of the** costs **and** ~~or consequential~~ damages associated with **the consequences** ~~a material breach~~ of personal information **being compromised, such as investigations, sanctions and regulatory and law enforcement action, and result in reputational harm and loss of business, which could have a material adverse effect on our business, cash flows, financial condition and results of operations** . Furthermore, certain of our businesses are subject to compliance with laws and regulations ~~enacted by U. S. federal and state governments, Bermuda (including the Personal Information Protection Act 2016), the E. U. or other jurisdictions or~~ enacted by various regulatory organizations or exchanges relating to the privacy and security of the information of clients, employees or others. The variety of applicable privacy and information security laws and regulations ~~in local jurisdictions~~ exposes us to heightened regulatory ~~risks~~ **scrutiny** and requires us to incur significant technical, legal and other expenses **in an effort** to ensure and maintain compliance. If we are found **not** to be **in** ~~out of~~ compliance with these laws and regulations, we could be subjected to significant civil and criminal liability and exposed to reputational harm. We may experience issues with outsourcing relationships **,** which ~~might impact our ability to conduct business in a prudent manner and~~ could negatively impact our **business, results of** operations, ~~results~~ and financial condition. We ~~continue to~~ outsource a number of technology and business process functions to third- party providers ~~. We~~ **and we** may continue to do so in the future ~~as we review the effectiveness of our organization~~ . If we do not effectively select, develop, implement and monitor our outsourcing relationships, or if we experience technological or other issues with transition, or if third- party providers do not perform as anticipated, we may not realize productivity improvements or cost efficiencies and may experience operational difficulties, increased costs (including litigation costs), and a loss of business that may have an adverse effect upon on our operations or financial condition. ~~We~~ **Also, we** periodically negotiate amendments and renewals of such relationships, and there can be no assurance that such terms will remain acceptable to us or such third parties. If ~~such~~ third- party providers experience disruptions or do not perform as anticipated, or we experience problems with a transition to a third- party provider, we may experience operational difficulties, an inability to meet obligations (including, but not limited to, policyholder obligations), a loss of business, litigation, and increased costs, or suffer other negative consequences, all of which may ~~have a material adverse~~ **adversely** ~~effect~~ **affect** ~~on~~ our business and results of operations. Our outsourcing of certain technology and business process functions to third parties may expose us to enhanced risk related to data security, which could result in adverse monetary, reputational and / or regulatory consequences,

which in turn could have an adverse effect on our operations or financial condition. If we do not effectively monitor these relationships, third party providers do not perform as anticipated, technological or other problems occur with an outsourcing relationship **,** we may not realize expected productivity improvements or cost efficiencies and may experience operational difficulties. In addition, our ability to receive services from third- party providers based in different countries ~~might~~ **could** be impacted by political instability, unanticipated regulatory requirements or policies inside or outside of the U. S. ~~As a result~~ , ~~our ability to conduct~~ **which could adversely affect** our business ~~might be adversely affected~~ . The performance of our investment portfolio is subject to a variety of risks, including market risk, credit risk, investment risk and liquidity risk. Market risk is the risk of loss or adverse change in our financial position due to fluctuations in the level and volatility of market prices of assets, liabilities and financial instruments. This risk may be caused by fluctuations in interest rates, foreign exchange rates or equity, property and securities values. Credit risk is the risk of loss or adverse change in our financial position due to fluctuations in the credit standing of issuers of securities, counterparties or any other debtors, including risk of loss arising from an insurer' s inability to collect funds from debtors. Investment risk is the uncertainty associated with making an investment that may not yield the expected returns or performance, including the risk that an investment will decline in value, result in a loss or result in liability or other adverse consequences for the investor. Liquidity risk is the risk of loss or our inability to realize investments and other assets in order to meet our financial obligations when they fall due or the inability to meet such obligations except at excessive cost. A prolonged recession or a period of significant turmoil in the U. S. and international financial markets, could adversely affect our business, liquidity and financial condition and our share price. U. S. and international financial market disruptions such as the ones experienced in the last global financial crisis ~~and the volatility experienced as a result of the COVID- 19 pandemic,~~ along with the possibility of a prolonged recession, may potentially affect various aspects of our business, including the demand for and claims made under our products, our counterparty credit risk and the ability of our customers, counterparties and others to establish or maintain their relationships with us, our ability to access and efficiently use internal and external capital resources and our investment performance. Volatility in the U. S. and other securities markets may also adversely affect our share price. Depending on future market conditions, we could incur substantial realized and unrealized losses in future periods, which may have an adverse impact on our results of operations, financial condition, debt and financial strength ratings, insurance subsidiaries' capital levels and our ability to access capital markets. The effects of inflation could cause the cost of claims to rise in the future. Our reserve for losses and loss adjustment expenses (" LAE ") includes assumptions about future payments for settlement of claims and claims handling expenses, such as medical treatments and litigation costs. To the extent inflation causes these costs to increase above reserves established for these claims, we will be required to increase our loss reserves with a corresponding reduction in our net income in the period in which the deficiency is identified. Furthermore, if we experience deflation or a lack of inflation going forward and interest rates remain very low or continue to decline, we could experience low portfolio returns because we hold fixed income investments of fairly short duration. Additionally, our operating results are affected, in part, by the performance of our investment portfolio. Our investment portfolio may be adversely affected by inflation or changes in interest rates. Such adverse effects include the potential for realized and unrealized losses in a rising interest rate environment or the loss of income in an environment of prolonged low interest rates. Such effects may be further impacted by decisions made regarding such things as portfolio composition and duration given the prevailing market environment. Although we attempt to take measures to manage the risks of investing in changing interest rate environments, we may not be able to mitigate interest rate sensitivity effectively. Fluctuation in interest rates could have a material adverse effect on our business, results of operations and / or financial condition. Our investment portfolio is subject to significant market and credit risks which could result in an adverse impact on our financial position or results. Although our investment policies stress diversification of risks, conservation of principal and liquidity, our investments are subject to general economic conditions and market risks as well as risks inherent to particular securities. For example, to the extent there is an economic downturn affecting a certain area in which our investment portfolio is concentrated, the risk that certain investments may default or become impaired would increase. Such defaults and impairments could reduce our net investment income and result in realized investment losses. Our investment portfolio is also subject to increased valuation uncertainties when investment markets are illiquid. The valuation of investments is more subjective when markets are illiquid, increasing the risk that the fair value of certain of our investments may not be readily determinable. Our investments in fixed maturity and short- term securities may be adversely affected by changes in inflation and / or interest rates which, in turn, may adversely affect operating results. The fair value and investment income of these assets fluctuate with general economic and market conditions. Generally, the fair value of fixed maturity securities will decrease as interest rates increase. Some fixed maturity securities have call or prepayment options, which represent possible reinvestment risk in declining rate environments. Other fixed maturity securities such as mortgage- backed and asset- backed securities carry prepayment risk. We also invest in marketable equity securities. These securities are carried on our balance sheet at fair value and are subject to potential losses and declines in market value. Our invested assets also include investments in limited partnerships, privately held securities and other alternative investments. Such investments entail substantial risks. Risks for all types of securities are managed through application of the investment policy, which establishes investment parameters that include, but are not limited to, maximum percentages of investment in certain types of securities, minimum levels of credit quality and option- adjusted duration guidelines. There is no guarantee of policy effectiveness. In addition, there can be no assurance that our investment objectives will be achieved, and results may vary substantially over time. Although we seek investment strategies that are correlated with our insurance and reinsurance exposures, losses in our investment portfolio may occur at the same time as underwriting losses and, therefore, exacerbate such losses' adverse effect on us. See " Item 1. Business — Investments. " We may be adversely affected by foreign currency fluctuations. Although our foreign subsidiaries' functional currency is the U. S. Dollar, with the exception of our ~~Maltese and~~ Italian ~~subsidiaries~~ **subsidiary** whose functional ~~currencies~~ **currency** ~~are~~ **is** the Euro, certain premium receivables and loss reserves include business denominated in currencies other than U. S. Dollars. We

are exposed to the possibility of significant claims in currencies other than U. S. Dollars. We may experience losses in the form of increased claims costs or devaluation of assets available for paying claims resulting from fluctuations in these non- U. S. currencies, which could materially and adversely affect our operating results. We face a risk of non- availability of reinsurance, which could materially and adversely affect our business, results of operations and / or financial condition. We purchase reinsurance for our own account in order to mitigate the effect of certain large and multiple losses upon our financial condition. As is common practice within the insurance industry, we transfer a portion of the risks insured under our policies to other companies through the purchase of reinsurance or other, similar risk- mitigating hedging instruments. This reinsurance is maintained to protect the insurance and reinsurance subsidiaries against the severity of losses on individual claims, unusually serious occurrences in which a number of claims produce an aggregate extraordinary loss and catastrophic events. Although reinsurance does not discharge our subsidiaries from their primary obligation to pay for losses insured under the policies they issue, reinsurance does make the assuming reinsurer liable to the insurance and reinsurance subsidiaries for the reinsured portion of the risk. Our reinsurers or capital market counterparts are dependent on their ratings in order to continue to write business and some have suffered downgrades in ratings in the past as a result of their exposures. Our reinsurers or capital market counterparties may also be affected by adverse developments in the financial markets, which could adversely affect their ability to meet their obligations to us. Insolvency of these counterparties, their inability to continue to write business or reluctance to make timely payments under the terms of their agreements with us could have a material adverse effect on us because we remain liable to our insureds or cedants in respect of the reinsured risks. Market conditions beyond our control may impact the availability, quality and cost of the reinsurance we purchase. No assurances can be made that reinsurance will remain continuously available to us to the same extent and on the same terms and rates as is currently available **.** An impairment in the carrying value of goodwill and other intangible assets could negatively impact our consolidated results of operations and ~~shareholders~~ **stockholders** ' equity. Goodwill and other intangible assets are originally recorded at fair value. Goodwill and other intangible assets are reviewed for impairment at least annually or more frequently if indicators are present. Management, in evaluating the recoverability of such assets, relies on estimates and assumptions related to margin, growth rates, discount rates and other data. There are inherent uncertainties related to these factors and management' s judgment in applying these factors. Goodwill and other intangible asset impairment charges can result from declines in operating results, divestitures or sustained market capitalization declines and other factors. Impairment charges could materially affect our financial results in the period in which they are recognized ~~. As a result of the announced sale of Argo Underwriting Agency Limited and its Lloyd' s Syndicate 1200, an estimated fair value was established for Syndicate 1200 that was below its carrying value. As such, we recorded a $ 28. 5 million impairment charge in the third quarter of 2022, consisting of $ 17. 3 million of indefinite lived intangible assets and $ 11. 2 million of goodwill~~ . The determination of the estimate of allowances and impairments taken on our investments is highly subjective and could materially impact our operating results or financial position. We perform a detailed analysis each reporting period end to assess declines in the fair values of available for sale debt securities in accordance with applicable accounting guidance regarding the recognition and presentation of current expected losses. The process of determining an allowance for available for sale securities requires judgment and involves analyzing many factors. Assessing the accuracy of the allowances reflected, in our financial statements is inherently uncertain given the subjective nature of the process. Furthermore, additional impairments may need to be taken or allowances provided in the future with respect to events that may impact specific investments. Future material impairments or any error in accurately accounting for such impairments may have a material adverse effect on our financial condition or results of operations. Our financial condition and operating results may be adversely affected by the failure of one or more reinsurers or capital market counterparties to meet their payment obligations to us. We are subject to credit risk with respect to our ability to recover amounts due from reinsurers to the extent that any reinsurer is unable or unwilling to meet the obligations assumed under the reinsurance contracts. The collectability of reinsurance is subject to the solvency of the reinsurers, interpretation and application of contract language and other factors. Despite strong ratings, the financial condition of a reinsurer may change based on market conditions. In certain instances we also require assets in trust, letters of credit or other acceptable collateral to support balances due, however, there is no certainty that we can collect on these collateral agreements in the event of a reinsurers default. It is not always standard business practice to require security for balances due; therefore, certain balances are not collateralized. A reinsurer' s insolvency or inability to make payments under the terms of a reinsurance contract could have a material adverse effect on our business, results of operations and / or financial condition. We may be adversely affected by the banking industry transition away from LIBOR. In July 2017, the U. K. Financial Conduct Authority (" FCA "), which regulates LIBOR, announced that the FCA will no longer require banks to submit rates for the calculation of LIBOR after 2021. However, for U. S. dollar- denominated (USD) LIBOR, only one- week and two- month USD LIBOR will cease to be published after 2021, and all remaining USD LIBOR tenors will continue being published until June 2023. Further, in early 2021, the U. S. Federal Reserve Board and other regulatory bodies issued guidance encouraging banks and other financial market participants to cease entering into new contracts that use USD LIBOR as a reference rate as soon as practicable and in any event no later than December 31, 2021. In the U. S., efforts to identify a set of alternative U. S. dollar reference interest rates include proposals by the Alternative Reference Rates Committee of the Federal Reserve Board and the Federal Reserve Bank of New York. The Alternative Reference Rates Committee has proposed the Secured Overnight Financing Rate (" SOFR ") as its recommended alternative to LIBOR, and the Federal Reserve Bank of New York began publishing SOFR rates in April 2018. We recognize that we have some risk exposure to the LIBOR transition within our investment portfolio and corporate debt structures. Having completed a structured evaluation, we believe our exposure to be minimal. We strive to ensure that floating rate debt acquired since the transition was announced provide for LIBOR succession language, and that alternative rates are adopted in contracts when they are negotiated. Despite these measures, there remains the possibility that certain instruments and contracts without these provisions could be adversely impacted from this transition. However, there exists the possibility for legislative action to mandate a particular interest rate

index in replacement of LIBOR for contracts without such succession language. Strategic risk means the risk of our inability to implement appropriate business plans and strategies, make decisions, allocate resources or adapt to changes in the business environment. Strategic risk includes the risk of the current or prospective adverse impact on earnings or capital arising from business decisions, improper execution of decisions or lack of responsiveness to industry changes. Uncertain conditions in the global economy may adversely affect our business, results of operations and financial condition. Economic imbalances and financial market turmoil affecting the global banking system and global financial markets could result in a new or incremental tightening in the credit markets, low liquidity, extreme volatility in fixed maturity, credit, currency, and equity markets and volatility in share prices. Major public health issues ~~, such as the COVID- 19 pandemic or other similarly disruptive event,~~ could harm our operations and have a major impact on the global economy and financial markets. These circumstances could lead to a decline in asset value and potentially reduce the demand for insurance due to limited economic growth prospects. These circumstances could adversely impact our ability to obtain financing. Even if financing is available, it may only be available on terms that are not favorable to us, which could decrease our profitability. Global and local economic conditions could also increase the number and size of claims made under our policies, our counter- party credit risk, and the ability of our counterparties to establish or maintain their relationships with us. Net investment income and net realized and unrealized gains or losses also could vary materially depending on market conditions; impairment charges resulting from revaluations of debt and equity securities and other investments; interest rates; inflation; cash balances; and changes in the fair value of financial and derivative instruments. Increased volatility in the financial markets and overall economic uncertainty would increase the risk that the actual amounts realized in the future on our financial instruments could differ significantly from the fair values assigned to them. Adverse developments in the broader global economy could create significant challenges to the insurance industry. If policy responses in Europe, the U. S. and other jurisdictions are not effective in mitigating these conditions, the insurance sector could be adversely affected by the resulting financial and economic environment. The ultimate impact of such conditions on the insurance industry in general, and on our operations in particular, however, cannot be fully or accurately quantified at this time. We may **not realize the anticipated benefits from the Merger. Following the closing of the Merger in November 2023, we became an indirect wholly- owned subsidiary of Brookfield Reinsurance. We may fail to realize the anticipated benefits of the Merger, including due to factors that may be outside of our control, such as changes in laws or regulations or in the interpretation of existing laws or regulations, general economic, political, legislative or regulatory conditions, the loss or limited availability of the services of one or more of our executive officers or other key personnel, and other factors described in this report. Failure to realize the anticipated benefits of the Merger could adversely affect our business, financial condition and results of operations. We may** incur significant additional indebtedness which may adversely impact our results of operations and financial condition, including our access to capital and liquidity. We may seek to incur additional indebtedness either through the issuance of public or private debt or through bank or other financing. The funds raised by the incurrence of such additional indebtedness may be used to repay existing indebtedness, including amounts borrowed under our credit facility, outstanding subordinated debt and floating rate loan stock or for our general corporate purposes, including additions to working capital, capital expenditures, investments in subsidiaries or acquisitions. This additional indebtedness, particularly if not used to repay existing indebtedness, could limit our financial and operating flexibility, including as a result of the need to dedicate a greater portion of our cash flows from operations to interest and principal payments. It may also be more difficult for us to obtain additional financing on favorable terms, if at all, limiting our ability to capitalize on significant business opportunities and making us more vulnerable to economic downturns. We may enter into future private debt arrangements containing restrictive business and financial covenants and complying with these covenants could limit our financial and operational flexibility. Our failure to comply with these covenants could also result in an increased cost of borrowing under the applicable agreement or an event of default under the credit facilities, which could result in us being required to repay any amounts outstanding under the credit facilities or debt arrangement prior to maturity. Such an event could have an adverse effect on our results of operations and financial condition, including our access to capital and liquidity. Our credit facilities and our outstanding notes are described in more detail in" Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations- Liquidity and Capital Resources." We may require additional capital in the future, which may not be available or may only be available on unfavorable terms. Our future capital requirements depend on many factors, including our ability to write new business successfully, deploy capital into more profitable business lines, identify acquisition opportunities, manage investments and preserve capital in volatile markets, and establish premium rates and reserves at levels sufficient to cover losses. To the extent our funds are insufficient to fund future operating requirements or cover claims losses, we may need to raise additional funds through corporate finance transactions or curtail our growth and reduce our liabilities. Any such financing, if available at all, may be on terms that are not favorable to us. Our ability to raise such capital successfully would depend upon the facts and circumstances at the time, including our financial position and operating results, market conditions and applicable regulatory filings and legal issues. If we cannot obtain adequate capital on favorable terms, or obtain it at all, our business, financial condition and operating results could be adversely affected. Our holding company structure and certain regulatory and other constraints affect our ability to pay dividends and make other payments. Argo Group is a holding company and conducts substantially all of its operations through its subsidiaries. Argo Group' s only significant assets are the capital stock of its subsidiaries. Because substantially all of our operations are conducted through our insurance subsidiaries, substantially all of our consolidated assets are held by our subsidiaries and most of our cash flow, and consequently, our ability to meet our ongoing cash requirements, including any debt service payments or other expenses, and the ability to pay dividends to our ~~shareholders~~ **stockholders** , is dependent on the earnings of those subsidiaries and the transfer of funds by those subsidiaries to us in the form of distributions or loans. In addition, if we fail to comply, or if and to the extent payment of dividend would cause us to fail to comply, with applicable laws, rules and regulations (including **, in respect of Argo Re,** any applicable capital adequacy guidelines established by the BMA) we may not declare, pay or set aside for payment dividends. As

a result, if payment of dividends would cause us to fail to comply with any applicable law, rule or regulation, we will not declare or pay a dividend, including dividends on our ~~Preference Shares~~ **shares of Series A Preferred stock (the " preferred stock ")** for such dividend period. In addition, the ability of our insurance subsidiaries to make distributions to us is limited by applicable insurance laws and regulations. These laws and regulations and the determinations by the regulators implementing them may significantly restrict such distributions, and, as a result, adversely affect our overall liquidity. The ability of our subsidiaries to make distributions to us may also be restricted by, among other things, other applicable laws and regulations and the terms of our bank loans and our subsidiaries' bank loans. Refer to " Legal, Regulatory and Litigation Risks – Our insurance subsidiaries are subject to risk- based capital and solvency requirements in their respective regulatory domiciles and any failure to comply with these requirements may have a material adverse effect on our business " below and also " Item 1. Business — Regulation, " for additional details on restrictions on our ability to make distributions. Any ratings downgrades could result in an adverse effect on our business, financial condition and operating results. Ratings with respect to claims paying ability and financial strength are important factors in establishing the competitive position of insurance companies and will also impact the cost and availability of capital to an insurance company. Ratings by A. M. Best and S & P represent an important consideration in maintaining customer confidence in us and in our ability to market insurance products. Rating organizations regularly analyze the financial performance and condition of insurers. A. M. Best is a widely recognized insurance company rating agency and some policyholders are required to obtain insurance coverage from insurance companies that have an " A- " (Excellent) rating or higher from A. M. Best. In addition, certain of our credit facilities require that all significant insurance subsidiaries of Argo US maintain an ~~AM~~ **A. M.** Best Financial Strength Rating of at least " B ". FSR reflect the rating agency' s assessment of an insurer' s ability to meet its financial obligations to policyholders. **All of our** ~~On February 26, 2020, A. M. Best downgraded the Company' s~~ insurance ~~subsidiaries~~ **companies have an** FSR **of** ~~from " A " (Excellent) to~~ " A- " (Excellent) **, with developing implications,** ~~and the ICR to " a- "~~ from ~~" a " of~~ **A. M. Best.** Argo **US** ~~Re and its~~ insurance **companies have an** ~~subsidiaries. The outlook assigned to all these ratings by A. M. Best was negative. On March 12, 2021, A. M. Best affirmed the Company' s~~ FSR of " A- " (~~Excellent~~ **Strong**), ~~and changed~~ **with a negative** outlook **,** ~~assigned to all these ratings~~ from ~~negative to stable~~ **S & P** . See " Item 1. Business- Ratings " for a detailed description of our ratings. Our ability to refinance our existing debt or obtain new debt in the capital markets is impacted by any credit ratings. Any credit rating downgrade would result in higher borrowing costs. Additionally, many producers are prohibited from placing insurance with companies that are rated below " A- " (Excellent). We may also be required to maintain a greater amount of capital in order to maintain our existing ratings or become subject to a ratings downgrade if we experience weaker than- expected underwriting performance, our capital adequacy position decline for a prolonged period, our financial leverage materially increases or our liquidity materially ~~decrease~~ **decreases** , among other factors. A. M. Best and S & P continually monitor their ratings and may revise or withdraw their ratings at any time. Any future downgrade in our ratings could impair our ability to sell insurance policies and materially and adversely affect our competitive position in the insurance industry, future financial condition and operating results. Our use of strategic transactions to further our growth strategy may not succeed, which may result in underperformance relative to our expectations and have a material adverse effect on our business, financial condition or results of operations. Our strategy for growth may include mergers and acquisitions, as well as divestitures. This strategy presents risks that could have a material adverse effect on our business, financial performance and results of operations, including: (1) the diversion of management' s attention, (2) our ability to execute a transaction effectively, including the integration of operations and the retention of employees, (3) our ability to retain key employees, (4) the contingent and latent risks associated with the past operations of and other unanticipated problems arising from an acquisition partner, and (5) the uncertainty of retained financial obligations associated with divested business or run- off. Our future acquisitions could involve a number of additional risks that we may not be able to identify during the due diligence process, such as potential losses from unanticipated litigation, levels of covered claims or other liabilities and exposures, an inability to generate sufficient investment income and other revenue to offset acquisition costs and financial exposures in the event that sellers breach their representations and warranties and / or are unable or unwilling to meet their indemnification, reinsurance and other contractual obligations to us. We cannot predict whether we will be able to identify and complete a future transaction on terms favorable to us. We cannot know if we will realize the anticipated benefits of a completed transaction or if there will be substantial unanticipated costs associated with such a transaction. In addition, strategic transactions may expose us to increased litigation risks. A future merger or acquisition may result in tax consequences at either or both the ~~shareholder~~ **stockholder** and Argo Group level, potentially dilutive issuances of our equity securities, the incurrence of additional debt and the recognition of potential impairment of goodwill and other intangible assets. Each of these factors could adversely affect our financial position. We have recently divested or placed in run- off several business lines. In connection with these actions, we have retained certain financial liabilities and contractual obligations related to these divested or discontinued business lines. We have quantified our exposures and an expectation that these exposures will decrease over time. There is no assurance, however, that prior to that time the amount of these obligations will not increase by an amount greater than we expect or that the process of ending these business lines will not take longer than we expect. The impact of such an increase could cause our exposure to be greater than expected. If the actual time periods and cost values are greater than the amounts we expect, our profitability could be adversely affected. Our business strategy involves focusing on expense targets and generally reducing our expense ratio. We may be unable to execute on our expense targets. Strategic acquisitions and growth may not reduce our expense ratio, while strategic divestitures may not reduce overall expenses as much as we anticipate prior to any sale. The United Kingdom' s exit from the European Union may cause volatility in foreign exchange rates and regulatory uncertainty that may adversely impact our business. In June 2016, the U. K. held a referendum in which voters approved an exit from the E. U., commonly referred to as " Brexit. " The U. K. formally exited the E. U. on January 31, 2020, pursuant to a withdrawal agreement between the U. K. government and the E. U. On December 24, 2020, the U. K. and the E. U. announced that they had struck a new bilateral trade and cooperation deal governing the future relationship

between the U. K. and the E. U. (the " E. U.- U. K. Trade and Cooperation Agreement ") which took effect from January 1, 2021. The E. U.- U. K. Trade and Cooperation Agreement contains limited provisions on financial services, leaving trade to be managed through mutual unilateral equivalence decisions. A Memorandum of Understanding on regulatory cooperation was entered into by the U. K. and the E. U. in March 2021. As of December 31, 2021, the U. K. had granted the E. U. 27 permanent equivalence decisions that provide E. U. nations access to the U. K. financial markets. The E U has yet to make equivalence decisions for the U. K. As a result, U. K. firms' access to the E. U. markets depend on the rules each member state applies to third country businesses. ~~Brexit may continue to cause regulatory and foreign exchange rate uncertainty with respect to Argo Syndicate 1200. The Corporation of Lloyd' s has acted on behalf of the market as a whole in establishing Lloyd' s Insurance Company S. A., an insurance company operation in Belgium regulated by the National Bank of Belgium. Argo Syndicate 1200 has chosen to utilize this platform to maintain continuity of operations for their E. U.- domiciled clients. Risk Associated with the Merger Our proposed Merger may be delayed or not occur at all for a variety of reasons, some of which are outside of the parties' control, and if these conditions are not satisfied, the Merger Agreement may be terminated and the Merger may not be completed. On February 8, 2023, we entered into an Agreement and Plan of Merger (the " Merger Agreement "), with Brookfield Reinsurance Ltd. (" Brookfield Reinsurance ") and BNRE Bermuda Merger Sub Ltd. (" Merger Sub "), a wholly owned subsidiary of Brookfield Reinsurance. The Merger Agreement provides for the merger of the Merger Sub with and into us, which we refer to as the " Merger, " with us surviving the Merger as a wholly owned subsidiary of Brookfield Reinsurance. Completion of the Merger is subject to customary closing conditions, including (i) the expiration of the waiting period under the Hart- Scott- Rodino Antitrust Improvement Act of 1976, as amended, (ii) obtaining certain required approvals from insurance regulators, (iii) the absence of governmental injunctions or other legal restraints prohibiting the Merger, (iv) obtaining approval for the Merger from our shareholders and (v) the absence of a " Material Adverse Effect " or " Burdensome Condition, " as each is defined in the Merger Agreement. In addition, the obligation of each party to consummate the Merger is conditioned upon, among other things, the accuracy of the representations and warranties of the other party (subject to certain materiality exceptions), and material compliance by the other party with its covenants under the Merger Agreement. Therefore, the Merger may not be completed or may not be completed as timely as expected. In addition, if the Merger is not completed by November 8, 2023 (which date may be extended until February 8, 2024 if all conditions to the Merger are satisfied or waived other than obtaining required regulatory approvals), either we or Brookfield Reinsurance may choose to terminate the Merger Agreement. Either party may also elect to terminate the Merger Agreement in certain other circumstances, including by mutual written consent of both parties. Failure to complete the Merger could adversely affect our business and the market price of our common shares in a number of ways, including: • The market price of our common shares may decline to the extent that the current market price reflects an assumption that the Merger will be consummated; • If the Merger Agreement is terminated under certain circumstances specified in the Merger Agreement, we would be required to pay a termination fee of approximately $ 37. 2 million to Brookfield Reinsurance; • We have incurred, and will continue to incur, significant expenses for professional services in connection with the Merger for which we will have received little or no benefit if the Merger is not consummated; and • A failed Merger may result in negative publicity and / or give a negative impression of us in the investment community, with our customers and our other stakeholders. Efforts to complete the Merger could disrupt our relationships with third parties and employees, divert management' s attention, or result in negative publicity or legal proceedings, any of which could negatively impact our operating results and ongoing business. We have expended, and continue to expend, significant management time and resources in an effort to complete the Merger, which may have a negative impact on our ongoing business and operations. Uncertainty regarding the outcome of the Merger and our future could disrupt our business relationships with our existing and potential customers, suppliers, vendors, landlords and other business partners, who may attempt to negotiate changes in existing business relationships or consider entering into business relationships with parties other than us. Uncertainty regarding the outcome of the Merger could also adversely affect our ability to recruit and retain key personnel and other employees. The pendency of the Merger may also result in negative publicity and a negative impression of us in the financial markets, and may lead to litigation against us and our directors and officers. Such litigation would be distracting to management and, may, in the future, require us to incur significant costs. Such litigation could result in the Merger being delayed and / or enjoined by a court of competent jurisdiction, which could prevent the Merger from becoming effective. The occurrence of any of these events individually or in combination could have a material and adverse effect on our business, financial condition and results of operations. The Merger Agreement contains provisions that limit our ability to pursue alternatives to the Merger which could discourage a potential competing acquiror from making an alternative transaction proposal. The Merger Agreement contains provisions that preclude our ability to pursue alternatives to the Merger and require us to cause our representatives to refrain from soliciting alternative transactions, which could discourage a potential third- party acquiror or merger partner from making an alternative transaction proposal. Additionally, if the Merger Agreement is terminated and we determine to seek another business combination, we may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the Merger. While the Merger Agreement is in effect, we are subject to restrictions on our business activities. While the Merger Agreement is in effect, we are subject to restrictions on our business activities and must generally operate our business in the ordinary course, subject to certain exceptions. These restrictions could prevent us from pursuing attractive business opportunities that may arise prior to the consummation of the Merger. Although we may be able to pursue such activities with Brookfield Reinsurance' s consent, Brookfield Reinsurance may not be willing to provide its consent for us to do so. If the Merger occurs, our shareholders will not be able to participate in any further upside to our business. If the Merger is consummated, our shareholders will receive $ 30. 00 in cash per common share owned by them, without interest and subject to applicable tax withholding, and will not receive any equity interests of Brookfield Reinsurance. As a result, if our business following the Merger performs well, our current shareholders will not receive any additional consideration and will therefore not receive any benefit from any such future performance of our business.~~ Reputational risk is the risk of potential loss through a

deterioration of our reputation or standing due to a negative perception of our image among customers, counterparties, ~~shareholders~~ **stockholders** or supervisory authorities, and includes risk of adverse publicity regarding our business practices and associations. While we assess the reputational impact of all reasonably foreseeable material risks within our risk management processes, we also recognize a number of specific reputational risks. We are subject to laws and regulations relating to sanctions, anti- corruption and money laundering, the violation of which could adversely affect our operations. Our activities are subject to applicable economic and trade sanctions, money laundering regulations, and anti- corruption laws in the jurisdictions where we operate, including Bermuda, the U. K. and the European Community and the U. S., among others. For example, we are subject to The Bribery Act, 2016 of Bermuda, the U. S. Foreign Corrupt Practices Act and the U. K. Bribery Act 2010, which, among other matters, generally prohibit corrupt payments or unreasonable gifts to foreign governments or officials. New sanction regimes may be initiated, or existing sanctions expanded, at any time, which can impact our business activities. We believe we maintain strong oversight and control through the deployment of our Code of Conduct and Business Ethics and associated policies and procedures including the Company' s whistleblower policies and continuous education and training programs. However, although we have in place systems and controls designed to ensure compliance with applicable laws and regulations, there is a risk that those systems and controls will not always be effective to achieve full compliance. It is also possible that an employee or intermediary could fail to comply with applicable laws and regulations. Failure to accurately interpret or comply with or obtain appropriate authorizations and / or exemptions under such laws or regulations could subject us to investigations, criminal sanctions or civil remedies, including fines, injunctions, loss of an operating license and other sanctions, all of which could damage our business or reputation, and have a material adverse effect on our financial condition and results of operations. Actions of activist ~~shareholders~~ **stockholders** may ~~impair our ability to consummate the merger with Brookfield Reinsurance or otherwise~~ negatively impact our business. We have been and may in the future be subject to actions initiated by activist ~~shareholders~~ **stockholders** . ~~Recently~~ **Previously** , we were the target of an unsuccessful proxy contest by Capital Returns Management, LLC in connection with our 2022 annual general meeting of ~~shareholders~~ **stockholders** . In December 2019, we also entered into a cooperation agreement with Voce Catalyst Partners LP, Voce Capital Management LLC, Voce Capital LLC and Voce Catalyst Partners New York LLC (collectively, " Voce "), and in August 2022 a representative of Voce was appointed to our Board and subsequently resigned in February 2023. ~~Future actions taken by these or other activist shareholders that may be taken in connection with our recently announced merger with Brookfield Reinsurance could impair our ability to satisfy conditions to the consummation of the merger, including our ability to obtain the required approval of our shareholders for the merger, or otherwise prevent or delay consummation of the merger. In addition, responding~~ **Responding** to ~~proxy contests and~~ other actions by activist ~~shareholders~~ **stockholders** can be costly and time- consuming, and could divert the attention of our Board, management team and employees from the management of our operations and the pursuit of our business strategies. Actions of activist ~~shareholders~~ **stockholders** may cause significant fluctuations in the trading price of our **securities** ~~common shares~~ based on temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business. Perceived uncertainties as to our future direction, strategy or leadership created as a consequence of activist ~~shareholder~~ **stockholder** initiatives may result in the loss of potential business opportunities and make it more difficult to attract and retain investors, customers, employees, and other business partners. Also, we could be required to incur significant expenses related to any activist ~~shareholder~~ **stockholder** matters (included but not limited to legal fees, fees for financial advisors, **and** fees for public relation advisors ~~and proxy solicitation expenses~~). As a result, activist ~~shareholder~~ **stockholder** campaigns could adversely affect our business, results of operations, financial condition and / or share price. Any failure to meet investor and stakeholder expectations regarding environmental, social and corporate governance (" ESG ") matters may damage our reputation. There is an increasing focus from certain investors, customers, consumers, employees and other stakeholders concerning ESG matters. Additionally, public interest and legislative pressure related to public companies' ESG practices continue to grow. If our ESG practices fail to meet stakeholders' evolving expectations and standards for responsible corporate citizenship in areas including environmental stewardship, climate risk management, Board ~~of Director~~ and employee diversity, human capital management, corporate governance and transparency, our reputation, brand and employee retention may be negatively impacted. Additionally, investors may reconsider their capital investment in our Company, and customers and partners may choose to stop doing business with us, which could have a material adverse effect on our reputation, business or financial condition. The regulation and regulatory measures that would apply to Argo Group and its subsidiaries are discussed above under " Item 1. Business — Regulation ". Legal and Regulatory Risk means the risk arising from our (1) failure to comply with statutory or regulatory obligations; (2) failure to comply with our **Bylaws** ~~Bye- Laws~~ ; or (3) failure to comply with any contractual agreement. Litigation Risk means the risk that acts or omissions or other business activity of Argo Group and our key functionaries and employees could result in legal proceedings to which we are a party, the uncertainty surrounding the outcome of such legal proceedings and the risk of an adverse impact on us resulting from such legal proceedings **. As a result of these and other requirements, we may have future capital requirements that may not be available to us on commercially favorable terms. Regulatory capital and solvency requirements for our future capital requirements depend on many factors, including our ability to underwrite new business, risk propensity and ability to establish premium rates and accurately set reserves at levels adequate to cover expected losses. To the extent that the funds generated by insurance premiums received and sale proceeds and income from our investment portfolio are insufficient to fund future operating requirements and cover incurred losses and loss expenses, we may need to raise additional funds through financings or curtail our growth and reduce in size. Uncertainty in the equity and fixed maturity securities markets could affect our ability to raise additional capital in the public or private markets. Any future financing, if available at all, may be on terms that are not favorable to us and our stockholders. In the case of equity financing, dilution to current shareholdings could result, and the securities issued may have rights, preferences and privileges that are senior or otherwise superior to those of our common stock** . Failure to comply with the capital requirement laws and regulations in any

of the jurisdictions where we operate, including the U. S., the E. U., or Bermuda could result in remedial plans to rectify any capital level shortfalls that could require capital contributions and / or other actions, administrative actions and / or penalties imposed by a particular governmental or self- regulatory authority, unanticipated costs associated with remedying such failure or other claims, harm to our reputation, or interruption of our operations, any of which could have a material and adverse impact on our business, financial position, results of operations, liquidity and cash flows. See " Item 1. Business — Regulation. " Restrictions on Dividends and Distributions Argo Re is prohibited from declaring or paying any dividends or making a distribution out of contributed surplus to Argo Group during any financial year if there are reasonable grounds for believing that (1) Argo Re is, or would after the payment be, unable to pay its liabilities as they become due or (2) the realizable value of its assets would thereby be less than its liabilities. Further, as a Class 4 insurer, Argo Re is prohibited from declaring or paying any dividends or making a distribution out of contributed surplus during any financial year if it is in breach of its ECR, general business solvency margin or minimum liquidity ratio or if the declaration or payment of such dividends would cause such a breach. If it has failed to meet its minimum margin of solvency or minimum liquidity ratio on the last day of any financial year, Argo Re will be prohibited, without the approval of the BMA, from declaring or paying any dividends during the next financial year. In addition, Argo Re is prohibited from declaring or paying in any financial year dividends of more than 25 % of its total statutory capital and surplus (as shown on its previous financial year' s statutory balance sheet) unless it files (at least seven days before payment of such dividends) with the BMA an affidavit stating that it will continue to meet the required margins. As discussed above under " Item 1. Business ― Regulation ", Argo Group and its various subsidiaries are considered to be an affiliated group for purposes of the BMA' s Group Supervision regime. This Group Supervision regime stipulates solvency margins, capital requirements and eligible capital requirements at the consolidated Argo Group level that may affect the calculation of similar solvency and capital requirements at the Argo Re level. The methodology for applying these solvency and capital requirements, particularly in regard to the eligibility, and classification of certain capital instruments within an affiliated group, is subject to ongoing refinement and interpretation by the BMA. The applicable rules and regulations for this regime, and the manner in which they will be applied to Argo Group, are subject to change, and it is not possible to predict the ultimate impact of future changes on Argo Group' s operations and financial condition. We are involved in legal and regulatory proceedings, investigations, inquiries, claims and litigation in connection with our business operations. Due to the inherent uncertainty of the outcomes of such matters, there can be no assurance that the resolution of any particular claim or proceeding would not have a material adverse effect on our results of operations or financial condition. If one or more of such matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. ~~Regulatory constraints may restrict our ability to operate our business, and adversely impact our business operations and results of operations. Argo Group' s ownership of U. S. subsidiaries can, under applicable state insurance company laws and regulations, delay or impede a change of control of Argo Group. Under applicable insurance regulations, any proposed purchase of 10 % or more of Argo Group' s voting securities would require the prior approval of the relevant insurance regulatory authorities. See " Description of Share Capital — Restrictions on Ownership Under Insurance Laws. " Our insurance subsidiaries and insurance- related services subsidiaries may not be able to obtain or maintain necessary licenses, permits or authorizations, or may be able to do so only at significant cost. In addition, we may not be able to comply with, or obtain appropriate exemptions from the wide variety of laws and regulations applicable to insurance companies or insurance- related services companies or holding companies. Failure to comply with or to obtain appropriate authorizations and / or exemptions under any applicable laws could result in restrictions on our ability to do business or certain activities that are regulated in one or more of the jurisdictions and could subject us to fines and other sanctions, which could have a material adverse effect on our business.~~ Bermuda Subsidiaries Argo Group is supervised by the BMA as an Insurance Group. In addition, Argo Re is registered as a Class 4 Bermuda insurance company, and Argo Insurance Services Bermuda, Ltd. is licensed by the BMA pursuant to Section 10 of the Insurance Act as an Insurance Agent. As such, Argo Group and its Bermuda subsidiaries are subject to specific laws, rules and regulations promulgated by the Bermudian authorities according to the Insurance Act. Changes in Bermuda' s statutes, regulations and policies could result in restrictions on our ability to pursue our business plans, strategic objectives, execute our investment strategy and fulfill other ~~shareholders~~ **stockholders** ' obligations. U. S. Subsidiaries Our U. S. insurance subsidiaries are subject to regulation, which may reduce our profitability or inhibit our growth. If we fail to comply with these regulations, we may be subject to penalties, including fines and suspensions, which may adversely affect our financial condition and results of operations. Changes in the level of regulation of the insurance industry or changes in laws or regulations themselves or interpretations by regulatory authorities could adversely affect our ability to pursue our business plan and operate our U. S. insurance subsidiaries. From time to time, various laws and regulations are proposed for application to the U. S. insurance industry, some of which could adversely affect the results of reinsurers and insurers. Additionally, the NAIC has been responsible for establishing certain regulatory and corporate governance requirements, which are intended to result in a group- wide supervision focus and include the Model Insurance Holding Company System Regulatory Act and the Insurance Holding Company System Model Regulation, the Requirements for ERM Report within the Annual Holding Company Registration (i. e., Form F), the Supervisory College, the Risk Management and ORSA Model, the CGAD and the Revisions to Annual Financial Reporting Model Regulation to expand the corporate audit function to provide reasonable assurance of the effectiveness of enterprise risk management, internal controls, and corporate governance. We are unable to predict the potential effect, if any, such legislative or regulatory developments may have on our future operations or financial condition. In addition, regulatory authorities have relatively broad discretion to deny, suspend or revoke licenses for various reasons, including the violation of regulations. If we do not have the requisite licenses and approvals or do not comply with applicable regulatory requirements, insurance regulatory authorities may preclude or temporarily suspend us from carrying on some or all of our activities or otherwise penalize us. This could adversely affect our ability to operate our business. ~~U. K. Prudential Regulation~~

~~Authority~~ **Our aggregate tax liability and effective tax rate could be adversely affected in the future by changes in the tax laws of the countries in which we operate** , ~~Financial Conduct Authority~~ **including as a result of ongoing efforts by the member countries of the OECD. We have operations in various countries that have differing tax laws and rates. Our tax reporting is supported by current domestic tax laws in the countries in which we operate and the application of tax treaties between the various countries in which we operate. Our income tax reporting is subject to audit by domestic and foreign authorities. Our effective tax rate may change from year to year based on changes in the mix of activities and income earned among the different jurisdictions in which we operate, changes in tax laws in these jurisdictions, changes in the tax treaties between various countries in which we operate, changes in our eligibility for benefits under those tax treaties, and changes in the estimated values of deferred tax assets and liabilities. Tax laws,** ~~Regulations~~ **regulations ,** and ~~Lloyd~~ **administrative practices in various jurisdictions may be subject to significant change, with or without notice, due to economic, political, or other conditions, and significant judgment is required in evaluating and estimating our provision and accruals for these taxes. Such changes could result in a substantial increase in our aggregate tax liability and the effective tax rate on all or a portion of our income. In recent years, the OECD, with the support of the G20, has developed proposals to address perceived base erosion and profit shifting (" BEPS "). BEPS refers to tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to locations with low or no tax and little or no economic activity, for the purpose of reducing a multinational group** ' s ~~Supervision Since~~ **aggregate tax liability. In** ~~2014~~ - **2021** ~~the regulatory supervision of Argo Managing Agency Limited~~ , the ~~managing agent of S1200 has been performed by PRA~~ **OECD / G20 Inclusive Framework on BEPS published a statement updating** and **finalizing** the **key components** ~~FCA. The operations~~ of **a "** ~~S1200 also continue to~~ **two pillar " plan for global tax reform, as agreed among a number of countries across the globe. Pillar I addresses tax nexus and the allocation of profits for tax purposes. Under Pillar II, a global minimum tax at the rate of 15 % would** be ~~supervised by Lloyd~~ **imposed on certain companies whose revenues exceed a threshold. EU member states have agreed to adopt the OECD** ' s **minimum tax rules under the Pillar II Framework, which are expected to begin going into effect in 2024** . ~~Future regulatory~~ **Several other countries, including Bermuda, have changed or are also considering** changes **to** ~~or rulings by the~~ **their tax laws to implement** ~~PRA and / or FCA as well as~~ the **OECD** ~~supervision of Lloyd~~ ' s **minimum tax proposal** ~~could interfere with the business strategy or financial assumptions of the Syndicate, possibly resulting in an adverse effect on the financial condition and operating results of the Syndicate~~ . **On December 15, 2023,** ~~Other~~ -- **the Bermuda government passed** ~~Applicable Laws Lloyd' s insurance business is subject to various regulations, laws, treaties and other~~ -- **the Corporate Income Tax Act** ~~applicable policies of the E. U.~~ , **2023 (** ~~as well as those~~ -- **the** ~~of each nation~~ **" CIT Act ")** , ~~state and locality in~~ which **will** ~~Lloyd' s operates. These nations include the United Arab Emirates. Material changes in governmental requirements and laws could have an adverse effect on Lloyd' s and its member companies, including S1200. Some aspects of our corporate structure and applicable insurance regulations may discourage or impede the sale of the Company, tender offers or other mechanisms of control. Certain provisions of our corporate governance documents may have the effect of making it more difficult or discouraging unsolicited takeover bids from third parties. To the extent that these effects occur, shareholders could be deprived of opportunities to realize takeover premiums for their shares and the market price of their shares could be depressed. In addition, these provisions could also result in the entrenchment of incumbent management and Board members. Voting Restrictions In the event that we~~ become **fully operative** ~~aware of a U. S. person (that owns our shares directly or indirectly through non- U. S. entities) owning more than the permitted 9. 5 % level of voting power of our outstanding shares after a transfer of shares has been registered, our Bye- Laws provide that, subject to certain exceptions and waiver procedures, the voting rights~~ with respect to ~~our shares owned by any such shareholder will be limited to the permitted level of voting power, subject only to the further limitation that no other shareholder allocated any such voting rights may exceed the permitted level of voting power as a result of such limitation. We also have the authority under our Bye- Laws to request information from any shareholder for the purpose of determining whether a shareholder' s voting rights are to be reallocated under the Bye- Laws. If a shareholder fails to respond to such a request for information or submits incomplete or inaccurate information in response to such a request, we may, at our sole discretion, eliminate such shareholder' s voting rights. Transfer Restrictions. Our Bye- Laws generally permit transfers of our common shares unless the Board determines a transfer may result in a non- de minimus adverse tax, legal or regulatory consequence to us, any of our subsidiaries or any direct or indirect shareholder of Argo Group or its affiliates. We may refuse to register on our share transfer records, any transfer that does not comply with these share transfer restrictions. A transferee will be permitted to promptly dispose of any of our shares purchased that violate the restrictions and as to the transfer of which registration is refused. Change of Control Restrictions Because a person who acquires control of Argo Group would thereby acquire indirect control of the same percentage of the stock in its insurance company subsidiaries, change of control provisions in the laws and other rules applicable to our insurance subsidiaries in various jurisdictions would apply to such a transaction. Such change of control provisions generally apply to transactions involving the acquisition of direct or indirect control over 10 % or more of our outstanding shares. No assurance can be given that an applicable regulatory body would approve of any future change of control. These change of control provisions may discourage potential acquisition proposals and may delay, deter or prevent a change of control of Argo Group, including transactions that some or all of our shareholders might consider to be desirable. We are a Bermuda company and it may be difficult for you to enforce judgments against us and / or our directors and executive officers. We are organized under the laws of Bermuda and headquartered in Bermuda. The Companies Act, and its subsequent amendments, which applies to us, differs in certain material respects from laws generally applicable to U. S. corporations and their shareholders. These differences include the manner in which directors must disclose transactions in which they~~ - **the imposition** ~~have an interest, rights~~ of ~~shareholders to bring class action and derivative lawsuits, our right to enter into business transactions with shareholders without prior approval from shareholders, committee organization and scope of indemnification available to directors and officers. Generally, the duties of directors and officers of a Bermuda company are owed to the~~

~~company only. Shareholders of Bermuda companies typically do not have rights to take action against directors or officers of the company and may only do so in limited circumstances. Class actions are not available under Bermuda law. The circumstances in which derivative actions may be available under Bermuda law are substantially more prescribed and less clear than they would be to shareholders of U. S. corporations. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the~~ corporate ~~power of the company or illegal, or would result in the violation of the company' s memorandum of association or bye- laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company' s shareholders than that which actually approved it. When the affairs of a company are being conducted in a manner that is oppressive or prejudicial to the interests of some shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company' s affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company. In addition, under our Bye- Laws and as permitted by Bermuda law, each shareholder has waived any claim or right of action against our directors or officers for any action taken by directors or officers in the performance of their duties, except for actions involving fraud or dishonesty. In addition, the rights of holders of our common shares and the fiduciary responsibilities of our directors under Bermuda law are not as clearly established as under statutes or judicial precedent in existence in jurisdictions in the U. S., particularly the State of Delaware. Therefore, holders of our common shares may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction within the U. S. In addition, certain of our directors and officers reside outside the U. S. As such, it may be difficult for investors to effect service of process within the U. S. on our directors and officers who reside outside the U. S. or to enforce against us or our directors and officers, judgments of U. S. courts, predicated upon the civil liability provisions of the U. S. federal securities laws. We have been advised that there is doubt as to whether: • a holder of our common shares would be able to enforce, in the courts of Bermuda, judgments of U. S. courts against persons who reside in Bermuda based upon the civil liability provisions of the U. S. federal securities laws; • a holder of our common shares would be able to enforce, in the courts of Bermuda, judgments of U. S. courts based upon the civil liability provisions of the U. S. federal securities laws; and • a holder of our common shares would be able to bring an original action in the Bermuda courts to enforce liabilities against us or our directors or officers, as well as our independent accountants, who reside outside the U. S. based solely upon U. S. federal securities laws. Further, we have been advised that there is no treaty in effect between the U. S. and Bermuda providing for the enforcement of judgments of U. S. courts, and there are grounds upon which Bermuda courts may not enforce judgments of U. S. courts. Because judgments of U. S. courts are not automatically enforceable in Bermuda, it may be difficult for our shareholders to recover against us based on such judgments. U. S. Tax Risks Applicable to Argo Group Our non- U. S. companies may be subject to U. S. federal~~ income tax on **January 1, 2025. Under** ~~their~~ -- **the** ~~net~~ **CIT Act, Bermuda corporate** income ~~, which could have a material adverse effect~~ **tax will be chargeable in respect of fiscal years beginning** on ~~our~~ - **or** ~~financial condition~~ **after January 1, 2025,** and **will apply only** ~~operating results. Except with respect~~ to **Bermuda entities and permanent establishments** ~~certain of our non- U. S. subsidiaries organized in the U. K.~~ that are ~~Lloyd~~ **part of multinational enterprise (MNE) groups with EUR 750 million or more in annual revenues in at least two of the four fiscal years immediately preceding the fiscal year in question (a " Bermuda Constituent Entity Group "). Where corporate income tax is chargeable to a Bermuda Constituent Entity Group, the amount of corporate income tax chargeable for a fiscal year shall be (a) 15 % of the net taxable income of the Bermuda Constituent Entity Group less (b) tax credits applicable to the Bermuda Constituent Entity Group under Part 4 of the CIT Act, or as prescribed. Bermuda has indicated that it will continue to monitor further developments around the world as other jurisdictions address the OECD** ' s **standards. The imposition of a Bermuda** corporate **income tax could** ~~members (" Lloyd' s Companies ")~~ , ~~Argo Group and~~ **if applicable to any of** our ~~non- U. S.~~ subsidiaries that ~~are treated as foreign corporations for U. S. federal income tax purposes (collectively, our " Non- U. S. Companies ") have operated and currently intend to continue to operate in a manner that~~ is **incorporated** ~~intended not to cause them to be treated as engaged in a trade or business in the U. S. (or, in the case of our~~ - **or** ~~Non- U. S. Companies qualifying for the benefits of an applicable income tax treaty, in a manner that is intended not to cause them to be treated as~~ **has** ~~having~~ a permanent establishment in **Bermuda** ~~the U. S.). Therefore~~ , ~~we believe that~~ **have a substantial increase in** our **aggregate tax liability and** ~~Non- U. S. Companies (other~~ -- **the** ~~than the Lloyd' s~~ **effective tax rate. The** ~~Companies~~ **Company** ~~) should~~ **, a previously Bermuda domiciled entity, redomiciled to the United States during the period ending December 31, 2023 and will** not be subject to ~~U. S. federal income tax on their~~ -- **the CIT** ~~net income. However, ongoing severe travel restrictions related to the COVID- 19 pandemic continue to make it more difficult for us to operate as intended. In addition, the enactment of the BEAT (defined below), the reduction of the U. S. federal income tax rate applicable to corporations included in the Tax~~ Act ~~(defined below) and other factors may cause us to alter our intentions~~ . ~~Further~~ **Additionally** , ~~there~~ **Argo Re, a Bermuda domiciled entity,** is ~~uncertainty as to the activities that constitute being engaged~~ in ~~a trade or business within the United States (or having a permanent establishment in the United States), and the U. S. Internal Revenue Service (the " IRS ") may disagree with our intended position. If any such Non- U. S. Companies are considered to be engaged in a trade or business (or carrying on business through a permanent establishment) in the United States, they~~ - **the process** ~~generally would be subject to U. S. federal income taxation on the portion~~ of **completing** ~~their net income treated as effectively connected with a U. S. trade or business (or their business profits attributable to a U. S. permanent establishment, as applicable), including a branch profits tax. Any such U. S. federal income taxation could result in substantial tax liabilities and~~ - **an** ~~consequently could have a material adverse effect on our financial condition and operating results. The reinsurance agreements between our U. S. and non- U. S. subsidiaries may be subject to re- characterization or other adjustment for U. S. federal income tax purposes, which could have a material adverse effect on our financial condition and operating results. Under Section 845 of the U. S.~~ Internal Revenue Code ~~of 1986,~~ **Section**

953 (d) election to treat the entity as amended, (**a U. S. taxpayer. Any tax incurred by Argo Re in** the " Code "), **United States is expected to be fully creditable against** the IRS may allocate income, deductions, assets, reserves, credits and **CIT Act. We do not anticipate the CIT Act to materially impact** any other items **Bermuda** related to a reinsurance agreement among certain related parties to the reinsurance agreement, re- characterize such items or make any other adjustment in order to reflect the proper source, character or amount of the items for each party. Any such adjustment by the IRS to our reinsurance arrangements may result in an increase in our U. S. federal income tax liabilities, which could have a material adverse effect on our financial condition and operating results. We may be subject to increased tax liabilities under the Base Erosion and Anti-Abuse Tax, which could have a material adverse effect on our financial condition and operating results. The Tax Cuts and Jobs Act of 2017 (Public Law No: 115- 97) (the " Tax Act ") introduced a new tax called the Base Erosion and Anti- Abuse Tax (the " BEAT "). The BEAT operates as a minimum tax and is generally calculated as a percentage (10 % for taxable years before 2026 and 12. 5 % thereafter) of the " modified taxable income " of an " applicable taxpayer. " Modified taxable income is calculated by adding back to a taxpayer' s regular taxable income the amount of certain " base erosion tax benefits " with respect to certain payments made to foreign affiliates of the taxpayer, as well as the " base erosion percentage " of any net operating loss deductions. The BEAT applies for a taxable year only to the extent it exceeds a taxpayer' s regular corporate income tax liability for such year (determined without regard to certain tax credits). Certain of our subsidiaries organized in the U. S. (" U. S. Subsidiaries ") and our former Lloyd' s Companies are applicable taxpayers and make payments to foreign affiliates that produce base erosion tax benefits. As a result, they may be required to pay additional tax in one or more years by reason of the BEAT. Further, the application of the BEAT to our reinsurance arrangements involves various interpretations. If the IRS were to disagree with our BEAT calculations, we may be required to pay additional tax, interest and penalties. Changes in U. S. tax law might adversely affect us or our shareholders. The tax treatment of our Non- U. S. Companies and their U. S. and non- U. S. insurance subsidiaries may be the subject of further tax legislation. No prediction can be made as to whether any particular proposed legislation will be enacted or, if enacted, what the specific provisions or the effective date of any such legislation would be, or whether it would have any effect on us. As such, we cannot assure you that future legislative, administrative or judicial developments will not result in an increase in the amount of U. S. tax payable by us or by an investor in our equity securities. If any such developments occur, it could have a material and adverse effect on an investor or our business, financial condition, results of operations and cash flows . U. S. persons who own our equity securities may be subject to U. S. federal income taxation at ordinary income rates on our undistributed earnings and profits. For any taxable year in which a Non- U. S. Company is treated as a controlled foreign corporation (" CFC "), a " 10 % U. S. Shareholder " (as defined below) of such Non-U. S. Company that held our equity securities directly or indirectly through certain entities as of the last day in such taxable year that the company was a CFC would generally be required to (A) include in gross income as ordinary income its pro rata share of the company' s insurance income and certain other investment income and (B) take into account its pro rata share of such company' s " tested income " and certain other amounts in determining such 10 % U. S. Shareholder' s global intangible low-taxed income (" GILTI "), regardless of whether any amounts are actually distributed to such U. S. person. A " 10 % U. S. Shareholder " of an entity treated as a foreign corporation for U. S. federal income tax purposes is a U. S. person who owns (directly, indirectly through non- U. S. entities or constructively) 10 % or more of the total value of all classes of shares of the corporation or 10 % or more of the total combined voting power of all classes of voting shares of the corporation. Any U. S. person that owns (or is treated as owning) 10 % or more of the vote or value of our shares should consult with their tax advisor regarding their investment in Argo Group. In general, a non- U. S. corporation is a CFC if 10 % U. S. Shareholders, in the aggregate, own (directly, indirectly through non- U. S. entities or constructively) stock of the non- U. S. corporation possessing more than 50 % of the voting power or value of such corporation' s stock. However, this threshold is lowered to 25 % for purposes of taking into account the insurance income of a non- U. S. corporation. Special rules apply for purposes of taking into account any related person insurance income (" RPII ") of a non- U. S. corporation, as described below. The Tax Act expanded the definition of " 10 % U. S. Shareholder " to include ownership by value (rather than just vote), so provisions in our bye- laws that generally limit the voting power of our common shares (and certain other of our voting securities) such that no person owns (or is treated as owning) more than 9. 5 % of the total voting power of our common shares (with certain exceptions) will no longer mitigate the potential risk of " 10 % U. S. Shareholder status ". Moreover, the Tax Act eliminated the prohibition on " downward attribution " from non- U. S. persons to U. S. persons under Section 958 (b) (4) of the Code for purposes of determining constructive stock ownership under the CFC rules. As a result, our U. S. Subsidiaries are treated as constructively owning all of the stock of our Non- U. S. Companies, other than possibly Argo Group, Argo Re and Argo Financial Holding (Ireland) UC (" Argo Ireland "). Further, if Argo Group or Argo Re directly or indirectly own an interest in any U. S. entities treated as such for U. S. federal income tax purposes (other than through Argo Ireland), such U. S. entities may constructively own all of the stock of Argo Re and / or Argo Ireland. Accordingly, our Non- U. S. Companies (other than Argo Group, Argo Re and Argo Ireland) are currently treated as CFCs and Argo Group, Argo Re and Argo Ireland may be so treated. The legislative history under the Tax Act suggests that this change in law was not intended to cause a foreign corporation to be treated as a CFC with respect to a 10 % U. S. Shareholder that is not related to the U. S. persons receiving such downward attribution. However, it is not clear whether the IRS or a court would interpret the change made by the Tax Act in a manner consistent with such indicated intent. Because of the limitations in Argo Group' s Bye- Laws referred to above, among other factors, we believe it is unlikely that any U. S. person that is treated as owning less than 10 % of the total value of Argo Group would be a 10 % U. S. Shareholder of any of the Non- U. S. Companies. However, because the relevant attribution rules are complex and there is no definitive legal authority on whether the voting provisions included in Argo Group' s organizational documents are effective for purposes of the CFC provisions, there can be no assurance that this will be the case. If Argo Group is classified as a passive foreign investment company, U. S. persons who own our equity securities could be subject to adverse U. S federal income tax consequences. If Argo Group is considered a passive foreign investment company (" PFIC "), a U. S.

~~person who directly or, in certain cases, indirectly owns our equity securities could be subject to adverse tax consequences, including a greater tax liability than might otherwise apply, an interest charge on certain taxes that are deemed deferred as a result of Argo Group' s non- U. S. status and additional U. S. tax filing obligations, regardless of the number of shares owned. In general, Argo Group will be a PFIC during a taxable year if (1) 75 % or more of its gross income constitutes passive income or (2) 50 % or more of its assets produce, or are held for the production of, passive income (" passive assets "). For these purposes, passive income includes interest, dividends and other investment income, with certain exceptions, and certain look-through rules apply with respect to interests in subsidiaries. However, under an " active insurance " exception in the Code and applicable regulations, passive income does not include any income derived in the active conduct of an insurance business by a qualifying insurance corporation (" QIC ") or any income of a qualifying domestic insurance corporation (" QDIC "), and passive assets do not include assets of a QIC available to satisfy liabilities of the QIC related to its insurance business, if the QIC is engaged in the active conduct of an insurance business, or assets of a QDIC. We believe that Argo Group should not be, and currently do not expect Argo Group to become, a PFIC. This is based in part on the belief that the income and assets of certain of Argo Group' s subsidiaries qualifies for the active insurance exception. The Tax Act modified certain provisions relating to PFIC status that makes it more difficult for a non- U. S. insurance company to qualify under the active insurance exception. We believe that we qualify for the exception as amended. However, we cannot assure you that the IRS will agree with this conclusion. The U. S. Treasury and the IRS issued finalized and proposed regulations that provide guidance on various aspects of the PFIC rules, including the amended exception. The final regulations are currently effective but the proposed regulations will not be effective unless and until they are adopted in final form. The proposed regulations provide that a QIC will qualify for the active insurance exception only if, among other things, the non- U. S. insurer satisfies either the " factual requirements test " or the " active conduct percentage test. " The factual requirements test requires that the officers and employees of the QIC carry out substantial managerial and operational activities on a regular and continuous basis with respect to its core functions and that they perform virtually all of the active decision- making functions relevant to underwriting functions. The active conduct percentage test generally compares the expenses for services of officers and employees of the non- U. S. insurer and certain related entities incurred for the production of premium and certain investment income to all such expenses regardless of the service provider. Depending on which expenses are included in the active conduct percentage test, if we do not qualify for the " factual requirements test ", there is risk that one or more of our Non- U. S. insurance companies would be considered a PFIC in one or more taxable years, in which case Argo Group may also be a PFIC in such taxable years. Further, the IRS has requested comments on several aspects of the proposed regulations. It is uncertain when the proposed regulations will be finalized, and whether the provisions of any final or temporary regulations will vary from the proposed regulations. As a result, we cannot assure you that will not be treated as a PFIC. If Argo Group is treated as a PFIC, the adverse tax consequences described above generally would apply with respect to a U. S. person' s direct or indirect ownership interest in Argo Group and any PFICs in which Argo Group directly or, in certain cases, indirectly owns an interest. U. S. persons who own our equity securities may be subject to adverse U. S. federal income tax consequences if we recognize RPII. If any of our Non- U. S. Companies is treated as recognizing RPII in a taxable year and is also treated as a CFC for such taxable year, each U. S. person that owns our equity securities directly or indirectly through certain entities as of the last day in such taxable year must generally include in gross income its pro rata share of the RPII, determined as if the RPII were distributed proportionately only to all such U. S. persons, regardless of whether that income is distributed. For this purpose, a Non- U. S. Company generally will be treated as a CFC if U. S. persons in the aggregate are treated as owning (directly or indirectly through non- U. S. entities) 25 % or more of the total voting power or value of such Non- U. S. Company' s stock at any time during the taxable year. Further, RPII is generally defined as insurance income of a CFC that is attributable to a policy of insurance or reinsurance with respect to which the person (directly or indirectly) insured is a U. S. person who owns (directly or indirectly through non- U. S. entities) stock in the CFC or a related person to any such a U. S. person. Notwithstanding the foregoing, pursuant to a de minimis exception, the RPII rules will not apply with respect to a CFC for a taxable year if the amount of RPII for such year was less than 20 % of the CFC' s gross insurance income in such taxable year. The amount of RPII earned by our Non- U. S Companies that are engaged in insurance activities (our " Non- U. S. Insurance Subsidiaries ") will depend on a number of factors, including the identity of persons directly or indirectly insured or reinsured by them. We believe that the gross RPII of each Non- U. S. Insurance Subsidiary did not in prior years of operation, and expect that it will not in the foreseeable future, equal or exceed 20 % of such subsidiary' s gross insurance income. No assurance can be given that this was or will be the case because some of the factors that determine the existence or extent of RPII may be beyond our knowledge and / or control. Further, the U. S. Treasury and the IRS recently published proposed regulations that would, if finalized in their current form, substantially expand the definition of RPII such that it could be interpreted to include all the insurance income our Non- U. S. Insurance Subsidiaries earn from reinsuring affiliates. These regulations are proposed to apply to taxable years beginning after the date the regulations are finalized. We cannot predict whether, when or in what form the proposed regulations might be finalized. If finalized in their current form, the proposed regulations might result in one or more of our Non- U. S. Insurance Subsidiaries being considered to generate gross RPII in excess of 20 % of such subsidiary' s gross insurance income. In such event, we might decide not to undertake new, or maintain existing, affiliate reinsurance transactions in order mitigate the risk that any of our Non- U. S. Insurance Subsidiaries generates gross RPII in excess of such amount. However, we are under no obligation to do so, and any decision not to undertake or maintain such transactions could have a material adverse effect on our financial condition and operating results. The RPII rules also generally provide that if a U. S. person disposes of shares in an insurance company that is a CFC for RPII purposes (without regard to the de minimis exception described above), any gain from the disposition will be treated as ordinary income to the extent of the U. S. person' s share of the corporation' s undistributed earnings and profits that were accumulated during the period that the U. S. person owned the shares and not previously subject to tax under the CFC rules (whether or not such earnings and profits are attributable to RPII). In addition, such U. S. person will be required to~~

~~comply with certain reporting requirements, regardless of the number of shares owned by the U. S. person. There is a strong argument these RPII rules do not apply to dispositions of our shares because Argo Group will not itself be directly engaged in the insurance business. The RPII provisions, however, have never been interpreted by the courts or the U. S. Treasury in final regulations. Accordingly, the meaning of the RPII provisions and application of those provisions to our Non- U. S. Companies and investors that hold shares of Argo Group are uncertain. U. S. tax- exempt organizations that own our equity securities may recognize unrelated business taxable income. A U. S. tax- exempt organization that directly or indirectly owns our equity securities generally will recognize unrelated business taxable income and be subject to additional U. S. tax filing obligations to the extent such tax- exempt organization is required to take into account any of our insurance income or RPII pursuant to the CFC and RPII rules described above. U. S. tax- exempt organizations should consult their own tax advisors regarding the risk of recognizing unrelated business taxable income as a result of the ownership our equity securities. Our former Lloyd' s Companies may not be eligible for benefits under the U. S.- U. K. income tax treaty. Our former Lloyd' s Companies are subject to tax in the United States pursuant to the terms of the Closing Agreement among Lloyd' s, Lloyd' s members and the IRS. We believe that certain of our former Lloyd' s Companies are entitled to benefits under the income tax treaty between the United States and the United Kingdom (the " U. S.- U. K. Treaty ") based on their conduct as an active trade or business in the UK. Were the IRS to contend successfully that such Lloyd' s Companies were not eligible for benefits under the U. S.- U. K. Treaty, such Lloyd' s Companies may be required to pay additional taxes such as excise tax on certain premiums and branch profits tax. Such a result could have a material adverse effect on our financial condition and operating results. Dividends paid by our U. S. subsidiaries to Argo Ireland may not be eligible for benefits under the U. S.- Ireland income tax treaty. Under U. S. federal income tax law, dividends paid by a U. S. corporation to a non- U. S. shareholder are generally subject to a 30 % withholding tax. The income tax treaty between the Republic of Ireland and the United States (the " U. S.- Ireland Treaty ") reduces the rate of withholding tax on certain dividends to 5 % if paid to a company entitled to benefits under the U. S.- Ireland Treaty that owns at least 10 % of the voting stock of the company paying the dividend. We believe that Argo Ireland is eligible for benefits under the U. S.- Ireland Treaty based on the country of residence of our shareholders and certain other factors and therefore entitled to the reduced, 5 % withholding tax rate on dividends distributed to it from our U. S. Subsidiaries. However, such determination may change for any given taxable year and we may not have sufficient information to demonstrate that Argo Ireland is entitled to benefits under the U. S.- Ireland Treaty for any given year. Were the IRS to contend successfully that Argo Ireland was not eligible for benefits under the U. S.- Ireland Treaty for a taxable year in which our U. S. Subsidiaries made a distribution to Argo Ireland treated as a dividend for U. S. federal income tax purposes, such distribution would be subject to withholding tax at the 30 % rate. Such a result could have a material adverse effect on our financial condition and operating results. U. K. Tax Risks Our non- U. K. companies may be subject to U. K. tax. Companies which are incorporated outside the U. K. may nonetheless become subject to U. K. tax in a number of circumstances, including (without limitation) circumstances in which (1) they are resident in the U. K. for tax purposes by reason of their central management and control being exercised from the U. K. or (2) they are treated as carrying on a trade, investing or carrying on any other business activity in the U. K. (whether or not through a U. K. permanent establishment). In addition, the Finance Act 2015 introduced a new tax known as the " diverted profits tax " (" DPT ") which is charged at 25 % of any " taxable diverted profits ". The DPT has had effect since April 1, 2015 and may apply in circumstances including: (1) where arrangements are designed to ensure that a non- U. K. resident company does not carry on a trade in the U. K. through a permanent establishment ; and (2) where a tax reduction is secured through the involvement of entities or transactions lacking economic substance. We intend to operate in such a manner that none of our companies should be subject to the U. K. DPT and that none of our companies (other than those companies incorporated in the U. K.) should: (1) be a resident in the U. K. for tax purposes ; (2) carry on a trade, invest or carry on any other business activity in the U. K. (whether or not through a U. K. permanent establishment). However, this result is based on certain legal and factual determinations, and since the scope and the basis upon which the DPT will be applied by HM Revenue & Customs (" HMRC ") in the U. K. remains uncertain and since applicable law and regulations do not conclusively define the activities that constitute conducting a trade, investment or business activity in the U. K. (whether or not through a U. K. permanent establishment), and since we cannot exclude the possibility that there will be a change in law that adversely affects the analysis, HMRC might successfully assert a contrary position. The terms of an income tax treaty between the U. K. and the home country of the relevant Argo Group subsidiary, if any, could contain additional protections against U. K. tax. Our U. K. and U. S. Operations may be adversely affected by a transfer pricing adjustment in computing U. K. or U. S. taxable profits. Any arrangements between our U. K.- resident entities and our other entities are subject to the U. K. transfer pricing regime. Consequently, if any agreement (including any reinsurance agreements) between one of our U. K.- resident entities and another of our entities (whether that entity is resident in or outside the U. K.) is found not to be on arm' s length terms and as a result a U. K. tax advantage is being or has been obtained, an adjustment will be required to compute U. K. taxable profits as if such an agreement were or had been on arm' s length terms. Similar rules apply in the U. S. and would have a similar impact on our U. S. resident entities if transfer pricing adjustments were required. Any transfer pricing adjustment could adversely impact the tax charge suffered by our relevant U. K. or U. S. resident entities. It is possible that our approach to transfer pricing may become subject to greater scrutiny from the tax authorities in the jurisdictions in which we operate, which may lead to transfer pricing audits in the future. Any transfer pricing adjustment could adversely impact the tax charge suffered by our relevant entities. In April 2016, the E. U. issued proposals to require all E. U. entities (including branches) to publish their country- by- country reporting (" CBCR ") reports on which the E. U. Parliament voted in favor in 2017 and again in 2019, but which were blocked by the Competitiveness Council of the E. U. later in 2019. The proposals, if eventually implemented, are likely to cause increased audit activity from E. U. tax authorities. Legislation has been enacted giving power to introduce regulations requiring public disclosure of U. K. CBCR reports. Bermuda Tax Risks Argo Group and our~~ Bermuda subsidiaries may become subject to Bermuda taxes after 2035. **Other than the recently adopted CIT Act,** Bermuda currently imposes no income tax on

corporations. In addition, we have obtained an assurance from the Bermuda Minister of Finance, under The Exempted Undertakings Tax Protection Act 1966 of Bermuda, that if any legislation is enacted in Bermuda that would impose tax computed on profits or income, or computed on any capital asset, gain or appreciation or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax will not be applicable to ~~us or~~ our Bermuda subsidiaries, until March 31, 2035. During 2011, legislation was passed to extend the period of the assurance mentioned above from 2016 to March 31, 2035. We filed for, and received, an extension of the assurance in January of 2012. ~~The Organization for Economic Co- operation and Development (OECD), the E. U. and individual jurisdictions may pursue additional measures to address base erosion and profit shifting that could have adverse tax consequences for us and increase our reporting requirements. In 2015, the OECD published final recommendations on base erosion and profit shifting (" BEPS "). These recommendations proposed the development of rules directed at counteracting the effects of tax havens and preferential tax regimes in countries around the world. Several of the areas of tax law on which the BEPS project has focused have led or will lead to changes in the domestic law of individual OECD jurisdictions. These changes include (amongst others) restrictions on interest and other deductions for tax purposes, the introduction of broad anti- hybrid regimes and reform of controlled foreign company rules. Changes are also expected to arise in the application of certain double tax treaties as a result of the implementation and adoption of the OECD' s Multilateral Instrument, which may restrict the ability of Argo Group entities to rely on the terms of relevant double tax treaties in certain circumstances. Further, recent BEPS developments include proposals for new profit allocation and nexus rules and for rules to ensure that the profits of multinational enterprises are subject to a minimum rate of tax. In parallel with the OECD' s BEPS project, E. U. Member States were required to implement by January 2020 (subject to a few exceptions) new domestic legislation giving effect to the EC' s (amended) Anti- Tax Avoidance Directive (" ATAD ", with the amendment being commonly known as " ATAD II "). ATAD II mandates domestic legislation counteracting certain hybrid mismatches (anti- hybrid rules), to complement the existing changes (interest deductibility restrictions, controlled foreign company rules, etc.) brought about by ATAD. Changes of law in individual jurisdictions which may arise as a result of the BEPS project or the implementation of ATAD / ATAD II may ultimately increase the tax base of individual Argo Group entities in certain jurisdictions or the worldwide tax exposure of Argo Group entities. Those changes of law are also potentially relevant to the ability of Argo Group entities to efficiently fund and realize investments or repatriate income or capital gains from relevant jurisdictions, and could ultimately necessitate some restructuring of Argo Group entities or their business operations. The changes of law resulting from the BEPS project also include revisions to the definition of a " permanent establishment " and the rules for attributing profit to a permanent establishment. Other BEPS- related changes focus on the goal of ensuring that transfer pricing outcomes are in line with value creation. Changes to tax laws resulting from the BEPS project or as a result of ATAD / ATAD II could increase their complexity and the burden and costs of compliance. Additionally, such changes could also result in significant modifications to existing transfer pricing rules and could potentially have an impact on our taxable profits in various jurisdictions. Since 2017 (and in consequence of the BEPS project), some countries in which we do business, including Bermuda, have required certain multinational enterprises, including ours, to report detailed information regarding allocation of revenue, profit, and other information, on a country- by- country basis. The information we are required to report pursuant to this~~ **This assurance does** ~~country- by- country reporting, as well as information we are required to report pursuant to certain other exchange of information regimes (for example, e. g., pursuant to the Common Reporting Standard) could ultimately result in certain tax authorities having greater access to information enabling them to challenge the tax positions of Argo Group entities in a number of different areas, especially transfer pricing. In December 2021, the OECD issued final Model Rules for Pillars One and Two of its BEPS project. In general, Pillar One addresses nexus concerns and the allocation of profits amongst companies in which a multinational enterprise (MNE) conducts its business. Pillar Two aims to ensure that all MNEs pay an effective tax rate of no less than 15 % on their adjusted net income. Pillar Two is the most impactful to the Company as it allows for assessment even if countries do~~ not **apply** ~~enact its provisions. In effect, Pillar Two allows any country within which a MNE operates to levy tax upon that MNE enterprise to the extent it determines that the MNE is paying less than a 15 % effective tax rate on its adjusted net income. The taxes levied may then be allocated amongst the jurisdictions that conform to the OECD rules. In December 2022, the member states of the European Union unanimously voted to adopt the OECD' s minimum tax rules and phase them into national law, and in February 2023 the OECD released technical guidance on the global minimum tax which was agreed by consensus of the BEPS 2. 0 (Pillars One and Two) signatory jurisdictions. Under the European Union' s minimum tax directive, member states are to adopt domestic legislation implementing the minimum tax rules effective for periods beginning on or after December 31, 2023, with the " under- taxed profit rule " to take effect for periods beginning on or after December 31, 2024. Legislatures in multiple countries outside of the European Union have also drafted legislation to implement the OECD' s minimum tax proposal. Legislatures in multiple countries outside of the EU have also drafted legislation to implement these OECD tax proposals. The Company will continue to monitor the developments and implementation of the OECD BEPS project. Due to the evolving nature of global tax laws and regulations and compliance approaches, it is currently not possible to assess the ultimate impact of these actions on our financial statements, but these actions could have an adverse impact on the Company' s financial results. Bermuda removed from the E. U. Grey List At the latest meeting of the ECOFIN Council of the E. U. (the " Council ") on October 4, 2022, Bermuda was removed from the list of jurisdictions that make up the E. U.' s " state of play " document~~ with respect to ~~cooperative jurisdictions~~ **any taxes** that **may be imposed** ~~have committed to implement tax good governance principles (Annex II, also known as the " Grey List "). Countries are included~~ on **our** ~~the Grey List by the Council where such jurisdictions have committed to implementing recommendations from the OECD relating to tax reform in line with E. U. taxation standards. Removal from the Grey List confirms that~~ Bermuda **subsidiaries under** ~~has now met all commitments required by~~ the **recently enacted CIT Act** ~~OECD Forum on Harmful Tax Practices~~ . ~~Inclusion on the Grey List is limited in scope and does not result in the imposition of any sanctions or penalties on jurisdictions included on the Grey List or structures regulated in such jurisdictions. However, if Bermuda is returned to the Grey~~

~~List in future, this may potentially have adverse tax and non- tax consequences on the Bermuda Argo Group entities, which would be dependent on future changes in tax laws and / or administration of relevant E. U. countries. 56~~