



Argo Group Adopts Governance and Compensation Enhancements

Shareholders to vote on proposals at 2020 Annual General Meeting to de-classify Board and reduce maximum Board size as part of ongoing refreshment program

New compensation program enhances long-term alignment with shareholders, including introduction of 3-Year ROE and BVPS performance metrics and increased executive and director ownership guidelines

HAMILTON, Bermuda – August 8, 2019 – Argo Group International Holdings, Ltd. (NYSE: ARGO) (“Argo” or the “Company”), an international underwriter of specialty insurance and reinsurance products in the property and casualty market, today announced it will introduce two proposals at the Company’s 2020 Annual General Meeting of shareholders (“AGM”) as part of its continuing enhancement of the Company’s corporate governance practices.

“These measures support continued value creation for all our shareholders and demonstrate our commitment to ensuring alignment with our shareholders,” said Gary Woods, Chairman of the Board. “We value the input we receive from our shareholders and maintain a productive dialogue with them.”

The Argo Board of Directors (“Board”) will present two proposals at the 2020 AGM to amend the Company’s Bye-Laws to: (1) commence the process of phased declassification of the Argo Board of Directors, which will conclude at the 2022 AGM, after which the entire Board will stand for election annually; and (2) reduce the maximum size of the Board from 13 to 11.

As the Company disclosed in a May 13, 2019 filing with the Securities and Exchange Commission, the Board intends to continue its proactive refreshment process, which will include a reduction in the size of the Board to 10 members over the next three years as a function of the retirement of some directors and ongoing recruitment of new directors. The Board believes that this orderly refreshment process, with periods of overlapping service among current and new directors, provides stability and will ensure the effective transfer of key institutional knowledge beneficial to overseeing the Company’s business.

Additionally, the Board of Directors has approved a series of changes to the Company’s executive compensation program. The Board believes these changes will enhance the alignment between compensation and long-term shareholder value creation.

Details on Executive Compensation Changes

The Board has unanimously approved the following changes to take effect beginning in the Company’s 2020 fiscal year.

Long-Term Incentive Plan (LTIP) Design Changes Enhance Alignment of Incentives with Execution of Argo’s Long-Term Strategy

Performance awards under the LTIP will be measured over a three-year performance period (previously a one-year period) and will be earned based on Return on Equity and Book Value Per Share metrics.

Increased Stock Ownership Guidelines Underscore Commitment to Driving Long-Term Performance on Behalf of All Shareholders

- The CEO’s ownership guideline will be equal to six times base salary (prior multiple was five times base salary).



- Other named executive officer (“NEO”) ownership guidelines will be equal to three times base salary (prior multiple was two-and-a-half times base salary).
- Directors will be required to own stock equal to five times the annual cash retainer they receive for service on the Board of Directors (prior multiple was three times the annual cash retainer they receive for service on the Board of Directors).

ABOUT ARGO GROUP INTERNATIONAL HOLDINGS, LTD.

Argo Group International Holdings, Ltd. (NYSE: ARGO) is an international underwriter of specialty insurance and reinsurance products in the property and casualty market. Argo Group offers a full line of products and services designed to meet the unique coverage and claims handling needs of businesses in two primary segments: U.S. Operations and International Operations. Argo Group’s insurance subsidiaries are A. M. Best-rated ‘A’ (Excellent) (third highest rating out of 16 rating classifications) with a stable outlook, and Argo Group’s U.S. insurance subsidiaries are Standard and Poor’s-rated ‘A-’ (Strong) with a positive outlook. More information on Argo Group and its subsidiaries is available at www.argolimited.com.

FORWARD-LOOKING STATEMENTS

This press release may include forward-looking statements that reflect our current views with respect to future events. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as "expect," "intend," "plan," "believe," "do not believe," "aim," "project," "anticipate," "seek," "will," "likely," "assume," "estimate," "may," "continue," "guidance," "objective," "outlook," "trends," "future," "could," "would," "should," "target," "on track" and similar expressions of a future or forward-looking nature. All forward-looking statements address matters that involve risks and uncertainties, many of which are beyond Argo Group's control. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements. We believe that these factors include, but are not limited to, voting results from and other matters related to the Annual General Meeting, including compensation matters. The foregoing factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included herein and elsewhere, including the risk factors included in our most recent reports on Form 10-K and Form 10-Q and other documents of Argo Group on file with or furnished to the U.S. Securities and Exchange Commission. Any forward-looking statements made in this press release are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by Argo Group will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Argo Group or its business or operations. Except as required by law, Argo Group undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

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