

Argo Group International Holdings, Ltd.

Risk & Capital Committee Charter

Purpose

The Risk & Capital Committee (“the Committee”) is charged with overseeing the Company’s exposure to enterprise-wide key risks and the guidelines, policies and processes the Company uses to assess and manage its exposure to risk. The Committee is further charged with overseeing the various measures of capital adequacy and solvency used by the Company from an operational perspective or prepared by the Company to comply with regulatory requirements. Risk assessment, risk management, the development, use and maintenance of capital models and the preparation of regulatory risk and solvency reports are the responsibility of the Company’s management. In performing its oversight role, the Committee reviews outputs from various risk reports, capital models used by the Company and regulatory risk and solvency reports prepared by the Company’s management.

The Committee has a primary role in approving risk appetite, risk tolerances and risk limits and ensuring enterprise risk exposures are appropriately managed to within defined tolerance limits. “Risk appetites” are broad statements used to guide the Company’s risk and reward preferences over time, all consistent with, among other factors, business prudence, market opportunities, the underwriting pricing cycle and the investment climate. Risk appetites are regularly monitored and can change over time.

Composition

The Risk & Capital Committee shall consist of members of the Board of Directors. Committee members may be replaced consistent with changes in membership to the Board and in accordance with the Company’s Bye-laws.

Meetings

The Committee shall meet at least two times a year. Additional meetings may occur as the Committee deems advisable. The Committee shall be responsible for establishing the agenda for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee’s discharge of its responsibilities. Committee members will be furnished with copies of the minutes of each Committee meetings. The Committee, in its discretion, may require any officer or employee of the Company to attend meetings (or portions thereof) of the Committee and provide to it any information available to the Company relevant to the Committee’s activities.

The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board pursuant to the Company’s Bye-laws.

Authority

The Committee has the authority to conduct or authorize inquiries into any matters within its scope of responsibility, including, but not limited to:

- Seeking any information it requires from employees (all of whom are directed to cooperate with the Committee's requests) or external parties;
- Meeting with Company officers as necessary;
- Retaining independent counsel, accountants, or other advisors or experts it deems necessary to perform its duties or to advise the Committee.

The Company will provide for appropriate funding, as determined by the Risk & Capital Committee, for payment of (i) compensation to any advisors employed by the Committee and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Responsibilities

The Committee will carry out the following responsibilities:

- Oversee enterprise risk management processes, including the risk management framework and governance structure employed by management. The framework will include the definition of the categories of risk, standards in relation to each category and the approach to risk tolerances adopted by the Company. These standards will be reviewed as necessary to take into account changes in the internal and external environment, as well as reports and findings of the Audit Committee and the Company's internal audit function as it relates to performance of controls;
- Review and discuss with the Company's Chief Risk Officer and management the Company's risk appetite, risk tolerances for key risks, risk limits and strategy relating to key risks, including (i) insurance risk, (ii) financial and asset risk, (iii) operational risk and (iv) strategic risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks. In light of the overall risk management framework, the Committee may (i) review the methodology for establishing the Company's overall risk appetite; (ii) review the policies for the establishment of risk limit frameworks, and adherence to such limits; and (iii) review enterprise risk limits and compliance with those limits or exceptions thereto as necessary;
- Review the Company's overall risk profile and monitor key risks across the Company's organization as a whole, which may involve coordination with other committees of the Board from time to time as appropriate;
- Monitor the Company's capital adequacy and the outputs of capital models utilized by management to ensure that they appropriately reflect the Company's risk profile.
- Receive and review with management regulatory risk and solvency reports that are filed with the Company's regulators;

- Review any disclosures required by law or regulation with respect to the Company's risk management program;
- Review the Company's risk management performance and obtain reasonable assurance from management that the Company's risk management policies are effective and are being adhered to;
- Review reports on selected risk topics as the committee deems appropriate from time to time;
- Receive, as and when appropriate, reports from the Company's corporate audit staff on the results of risk management reviews and assessments;
- Review the status of insurance or other regulatory examinations relating to the Company;
- Discharge any other duties or responsibilities delegated to the committee by the Board.

Other Responsibilities

- Perform other activities as requested by the Board of Directors;
- Annually review the performance of the Risk & Capital Committee.

Charter Considerations

- Exceptions or Waiver
None.
- Revision

The Risk & Capital Committee shall review and assess the adequacy of this Charter annually and from time to time as necessary and recommend all necessary changes to the Board in due course for consideration and adoption. Any changes made during annual or periodic reviews shall be adopted by resolution of the Board.

Revised and Adopted by the Risk & Capital Committee on February 15, 2016.