



Argo Group GHG Overview

Methodology



Global Portfolio

We have tracked our energy consumption and greenhouse gas (GHG) emissions for Argo Group's global portfolio, measuring emissions from a small fleet of owned vehicles, leased real estate, and corporate travel.

This is Argo Group's second year preparing a GHG summary, outlining the reductions in energy and emissions across our overall portfolio.



Disclosures

Calculating and disclosing our GHG inventory fits two objectives that align with our external reporting:

- to understand the year-over-year financial spend and GHG emissions trends for our global portfolio, following the guidance of the GHG Protocol and ISO 14064-1; and
- to manage the climate transition risks of our portfolio and mitigate the GHG emissions.

Protocol



ISO 14064-1:2006

Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals



Liability and Risk Management

Recalculating Base Year Emissions

The following cases shall trigger recalculation of base year emissions:

1. Structural changes in the reporting of the organization, such as:
 - Mergers, acquisitions, and divestments
 - Outsourcing and insourcing of emitting activities
2. Changes in calculation methodology or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data.
3. Discovery of significant errors, or a number of cumulative errors, that are collectively significant.

Base year emissions shall be retroactively recalculated to reflect any changes that would otherwise compromise the consistency and relevance of our reported GHG emissions information. Once we have determined in our policy how we will recalculate base year emissions, that shall be applied in a consistent manner.

Base Year Recalculation

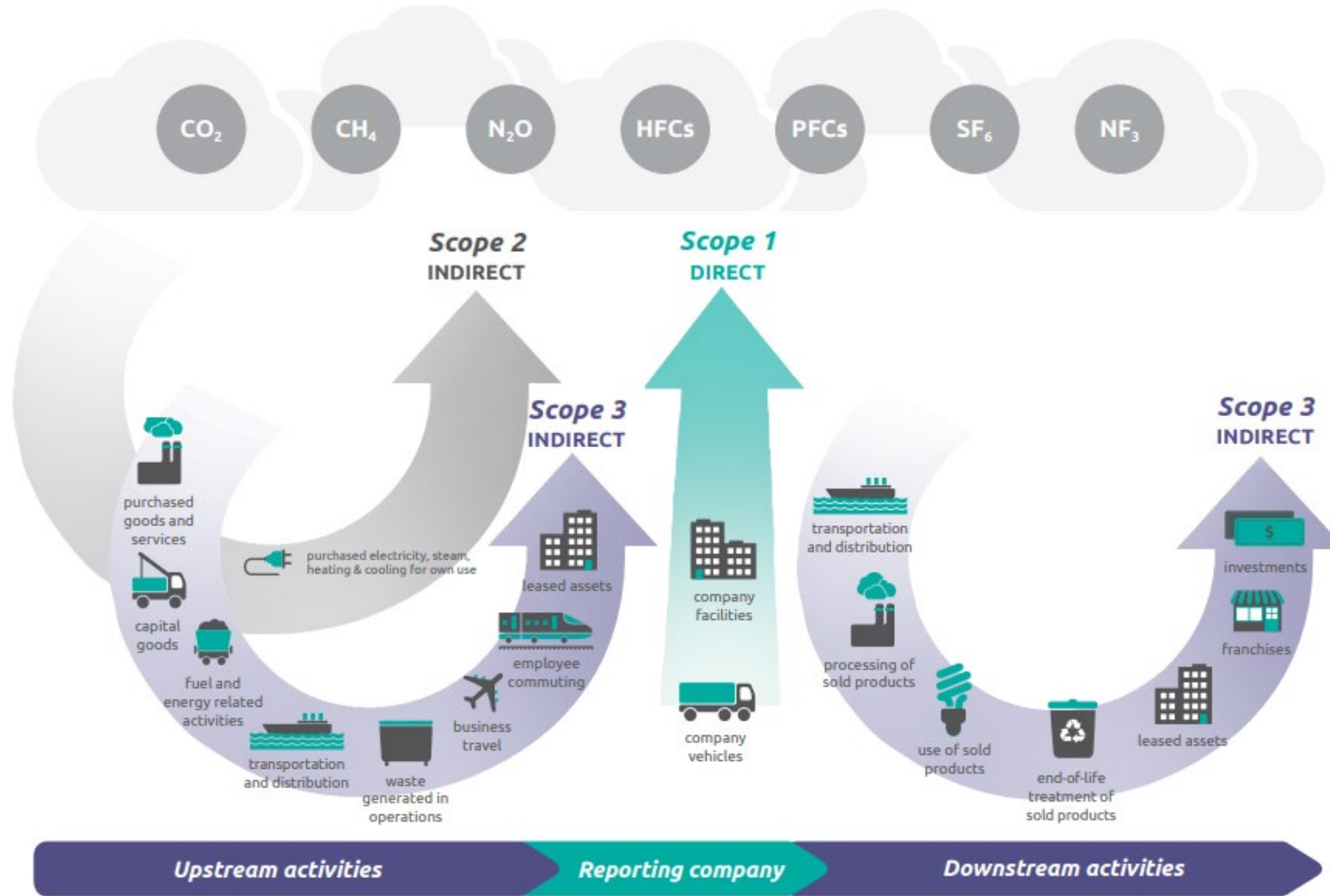
Significant Threshold

As stated in The Greenhouse Gas Protocol, a significant threshold that triggers a base year emissions recalculation must be disclosed.

Since our initial efforts in collecting GHG information for 2019, we've had improvements in the accuracy of our data that has had a significant impact calculations.

As such, emissions for 2019 & 2020 have been retroactively recalculated.

Overview



Source: [GHG Protocol](#)

Organizational Boundaries

Per the ISO 14064-1 guideline, the organizational boundary was selected on an equity share approach.

Argo has an international footprint with a mix of leased and owned facilities. The equity share approach is beneficial for multinational companies in different jurisdictions.

Argo has full financial control of business activities and can implement policies to obtain economic advantages of the business activities conducted, as outlined in The Climate Registry General Reporting Protocol (2019).

This is the recommended consolidated approach for this assessment of equity share and financial control.

Operational Boundaries

See full list of geographic parameters in the Appendix

Scope 1

Direct Emissions

Mobile combustion from a small fleet of company owned vehicles

Scope 2

Indirect Emissions

Emission from consumed energy using the emission factors from the **location-based method**

Scope 3

Indirect Emissions

Emission across our value chain, corporate travel

Source: [Inventory Boundaries](#)

Methodology: Leased Facilities

Leased facilities have been reported using the financial control approach.

Where Argo pays the utility bill directly, or utility use is sub metered by the landlord, emissions are considered to be within Argo's financial control.

Where the landlord pays the utility bill, emissions typically would be considered out of the company's financial control; however, assumptions have been made, and for full transparency, these have been reported in Scope 2 emissions.



Methodology: Corporate Travel

Emissions resulting from Argo's corporate air and rail travel have been reported using the distance-based method, as per the GHG Protocol.

Distance traveled is multiplied by the appropriate emission factor for the mode of transportation.

Hotel stays is multiplied by the appropriate emission factor for the hotel type by the number of nights stayed.

Source: [Technical Guidance for Calculating Scope 3 Emissions](#)

