



#SUBOKNA

STRONGHOLD INSURANCE COMPANY, INC.

17TH Floor Security Bank Centre, 6776 Ayala Avenue

Makati City



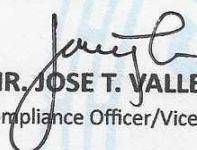
STRONGHOLD

INSURANCE COMPANY, INCORPORATED

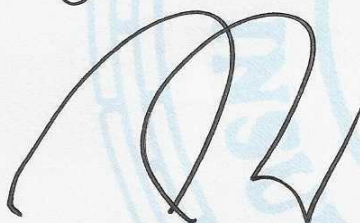
2022 ANNUAL CORPORATE GOVERNANCE REPORT STRONGHOLD INSURANCE COMPANY, INC.

1. For the fiscal year ended 2022
2. Certificate Authority Number Blg. 2022/14-R
3. (See attachment) Province, Country, or another jurisdiction of Incorporation or organization
4. Address of Principal Office 17th Floor, Security Bank Centre, 6776 Ayala Avenue, Makati City
5. Postal Code 1223
6. Company's telephone number, including area code (632) 8891-1329 to 37
7. Company's Official Website www.strongholdinsurance.com.ph
8. Former Name, former address, and former Fiscal Year, if changed, since last report N/A

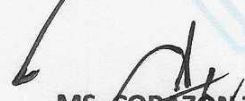
PREPARED BY:



MR. JOSE T. VALLEJOS, JR.
Compliance Officer/Vice President


CERTIFIED BY:



MR. ROMULO I. DELOS REYES, JR.
Director/President and General Manager



ATTY. FLORENTINO H. GARCES
Director/Executive Vice President


MS. CORAZON T. AGUIRRE
Director/Treasurer


MS. MA. VICTORIA L. MERCADO
Director/Vice Chairman


MS. SONIA M. ROCO
Independent Director


MR. EDMUND V. SAIYO
Independent Director


ATTY. EMMANUEL F. DOOC
Director/Chairman

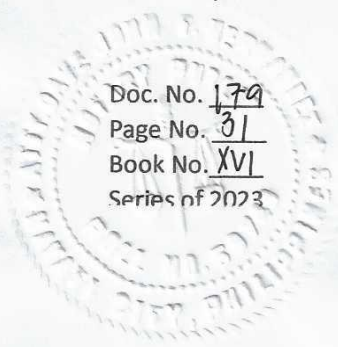
Attested by:



ADRIENNE C. ESPAÑOLA

Corporate Secretary

SUBSCRIBED AND SWORN to before me this 29th day of May, 2023 in the City of Makati, affiant exhibited to me competent evidence of her identity bearing her picture and signature in the form of her Non-Professional Driver's License with No. N01-14-031453 issued by Land Transportation Office valid until March 07, 2032.



Doc. No. 179
Page No. 31
Book No. XVI
Series of 2023

ATTY. DAVE JUAN T. HERNANDEZ

NOTARY PUBLIC FOR MAKATI CITY
COMMISSION NO. M-190
VALID UNTIL DECEMBER 31, 2023
6TH/F - ZETA II ANNEX BUILDING
191 SALCEDO STREET, LEGASPI VILLAGE
MAKATI CITY, METRO MANILA
ROLL OF ATTORNEYS NO. 59749
IBP OR NO. 263402 / 01-03-2023 / MAKATI CHAPTER
PTR NO. MKT-9563646 / 01-03-2023 / MAKATI
MCLE COMPLIANCE NO. VII-0018958 / 04-14-2025

	AREA	ADDRESS
	NCR (National Capital Region)	
1.	HEAD OFFICE	17th Flr. Security Bank Centre, 6776 Ayala Ave., Makati City
2.	MANILA SERVICE OFFICE	Rm 308 Regina Bdplg Escolta Manila
3.	MAKATI ANNEX OFFICE	Rm 1408, Cityland 10, Tower 2, 6817 Ayala Ave., Salcedo Village, Makati City
4.	ORTIGAS BUSINESS CENTER	2712 AIC Burgundy Empire Tower, Ortigas Center, Pasig City
5.	BUENDIA BUSINESS CENTER	Mezanine Floor, Burgundy Tower, Sen. Gil Puyat Avenue
6.	ALABANG BRANCH	M2, South Center Tower, Market St. Madrigal Business Park, Alabang, Muntinlupa City
7.	BINONDO BRANCH	Unit 914 Pacific Land and Bldg. Corp 460 Quintin Paredes cor. Sabino Padilla Sts., Binondo Manila
8.	CALOOCAN BRANCH	Unit 4-A, HGL Bldg. 554 EDSA cor., Biglang-Awa St., Caloocan City
9.	QUEZON CITY BRANCH	Room 403-404, Medalla Bldg. EDSA cor., MacArthur Ave., Cubao, Quezon City
10.	MAKATI BRANCH	Unit No. UG-11, Upper Ground, Cityland Tower, Pasong Tamo, 2210 Don Chino Rocess Ave, Mkt
11.	ORTIGAS BRANCH	Unit 914 Medical Plaza Ortigas Condo. Bldg. San Miguel, Ortigas Center, Pasig City
12.	BGC BUSINESS CENTER	SOHO UNIT 424, Avida Cityflex Towers BGC, 17th Avenue, North Bonifacio, Bonifacio Global City
13.	TOMAS MORATO BUSINESS CENTER	Unit 216, 2nd Flr. THOMPSON'S SQUARE No. 165 Tomas Morato Ave., cor Don Alejandro Roces Ave., Q.C.
14.	LAS PIÑAS BRANCH	2nd Flr. Unit 2N, 267 Real St., Pamplona Tres, Las Pinas City
15.	PARAÑAQUE BRANCH	2nd flr Unit 203, MJM Bldg, San Antonio Ave., cor Sta. Catalina, San Antonio Valley 1, Paranaque City
16.	FAIRVIEW BRANCH	Unit #2-A, GV Square Building, Lot 31, Block 167, Casa Milan Subdivision, Commonwealth Ave., Brgy. Greater Lagro, Quezon City
	Region I (Ilocos Region)	
17.	NORTHERN LUZON REG. OFFICE	E.P. Nava Bldg. MacArthur Highway, Calasiao, Pangasinan
18.	NLRO-ANNEX OFFICE	2 Flr Vera Bldg. San Miguel, Calasiao Pangasinan
19.	DAGUPAN BRANCH	ARB Corporate Center, Tapuac District, Dagupan City Pangasinan
	C A R (Cordillera Administrative Region)	
20.	BAGUIO BRANCH	Unit 607, 6th Flr. JNL III Bldg Session Road, Baguio City
	Region II (Cagayan Valley)	
21.	TUGUEGARAO BRANCH – 1	Josefina Abraham Centre, Bonifacio cor. Aguinaldo Sts., Tuguegarao City
22.	TUGUEGARAO BRANCH – 2	NASS Bldg., Maharlika Highway, Taguinod St., Carig Sur, Tuguegarao City
23.	CAGAYAN VALLEY REG. OFFICE	Richelle Bldg. 2, Canciller District 1, Cauayan City, Isabela

	Region III (Central Luzon)	
24.	CENTRAL LUZON REG. OFFICE	Room 302 3rd Floor, Plaza Garcia Bldg., Dolores MacArthur Highway, San Fernando, Pampanga
25.	EASTERN LUZON REG. OFFICE	G/F, Solid Building, Bernardo District, Maharlika Hiway, Cabanatuan City
26.	ANGELES BRANCH - Annex Makati	Rm F, 2/F, Parzon Square Bldg 625 Sto. Rosario St. Brgy. Sto Domingo Angeles City
27.	GUIGUINTO, BULACAN BRANCH	Unit 3 D&A Bldg, 727 MacArthur Highway Tabang, Guiguinto Bulacan (beside LTO Office)
28.	BALIUAG, BULACAN BRANCH	2nd Flr. "DEMIMENT" DRT Highway, Palaga, Baliuag, Bulacan
	Region IV-A (CALABARZON)	
29.	DASMARIÑAS, CAVITE BRANCH	Unit 5, L3886-B-1-E2 Along Gov. Drive, Sampaloc 1, Dasmariñas, Cavite
30.	NUVALI, STA. ROSA BRANCH	3rd Flr. Unit 302 HUMANA WELLNESS CTR, Tagaytay Rd Brgy. Don Jose, Sta. Rosa Laguna
31.	CALAMBA, LAGUNA BRANCH	Unit 6 2nd floor Valor Central Building National Highway Barangay Parian Calamba Laguna
32.	SOUTHERN LUZON REG. OFFICE	Lot 13 A, Ayala Highway, Brgy. Mataas na Lupa, Lipa City
33.	LUCENA BRANCH	Unit I, Garcia Business Centre, Perez, cor., Edaño Streets, Brgy 9 Pantoc, Lucena City
	Region IV - B (MIMAROPA)	
34.	PALAWAN BRANCH	Room 306, ERC Plaza Commercial Building, National Highway, Brgy San Pedro, Puerto Princesa City
	Region V (Bicol Region)	
35.	BICOL REGIONAL OFFICE	2/F, V&O Bldg. cor., Quezon Avenue and Lapu-lapu St. Legazpi City
36.	NAGA BRANCH	Unit 1, Betty Tan Bldg. (beside Sky City Gas Station) Diversion Road, Triangulo, Naga City
37.	NAGA BRANCH - ANNEX OFFICE	G. Tower Bldg, cor Magsaysay Ave & Mayflower Sts., Concepcion Pequeña, Naga City
38.	DAET BRANCH	2nd Flr., The Legacy-Boma Bldg., Brgy III F. Pimentel Ave., Daet Camarines Norte\
	Region VI (Negros Island Region)	
39.	NEGROS SUB-REG. OFFICE	2nd Flr. Fordland 1 Annex Bldg., Lacson & 11th Sts., Bacolod City
40.	PANAY SUB-REG. OFFICE	Brg. San Rafael, Mandurriao, Iloilo City
	Regional VII (Central Visayas)	
41.	CEBU REGIONAL OFFICE	Unit 601, Club Ultima Tower 2 Osmena Blvd, Cebu City
42.	CEBU-ESCARIO BRANCH	2nd Flr. Capitol Square Commercial Arcade, N. Escarion St., Cebu City

43.	CEBU-AYALA BUSINESS CENTER	Unit 1518 BPI Corporate Tower, Cebu Business Park, Cebu City
	Region VIII (Eastern Visayas)	
44.	TACLOBAN REGIONAL OFFICE	3/F, EYC Bldg., Infront of Knights of Columbus, Zamora St., Tacloban City
	Region IX (Zamboanga Peninsula)	
45.	PAGADIAN BRANCH	2/F, Prime Arcade Building National Highway, Tiguma, Pagadian City, Zamboanga Del Sur
46.	DIPOLOG BRANCH	GF Alymar Bldg., Hiway Sta. Filomena, Dipolog City
47.	ZAMBOANGA BRANCH	Unit 202, 2nd Floor, CMG Centre, Veterans Avenue, Zamboanga City
	Region X (Northern Mindanao)	
48.	CAGAYAN DE ORO REG. OFFICE	Stronghold Tower, Yacapin corner Tiano Sts., Cagayan De Oro City
49.	VALENCIA-BUKIDNON	2/F, Tamay lang Arcade, M. Roxas St. Brgy. Poblacion, Valencia City, Bukidnon
50.	OZAMIS BRANCH	2nd Flr. ADM Building, Don Anselmo Bernad Ave., Ozamis City
	Region XI (Davao Region)	
51.	DAVAO REGIONAL OFFICE	Door 7, JV Peak Building 95 Roxas Avenue, Davao City
52.	DAVAO ECOLAND BRANCH	Door 202, Pink Walters Bldg. Quimpo Blvd. Brgy. Bucawa Talomo Dist. Davao City
	Region XII (Soccksargen)	
53.	GENERAL SANTOS REG. OFFICE	GF, Hotel Filipino Bldg. Santiago Blvd., General Santos City
54.	KORONADAL SOUTH COTABATO BRANCH	Door 1 Bray & Belle Bldg., Morales Ave., Bo 1 Gen. P. Santos, Koronadal South Cotabato
	Region XIII (Caraga Region)	
55.	BUTUAN REGIONAL OFFICE	GF, J.M. Mamacos Bldg., 824 J.C. Aquino Avenue, Butuan City
56.	SAN FRANCISCO AGUSAN DEL SUR BRANCH	Suit 202, 2nd Flr. Tereso R. Rufila Sr. Bldg. Brgy 5, San Antonio Agusan del Sur

2021 ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Boards Governance Responsibilities			
Principle1: The company should be headed by a competent, working board to foster the long- term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long - term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. . Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	Our Management - Board of Directors Board of Directors (2022)	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	Our Management - Board of Directors Board of Directors (2022)	
3. . Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	Corporate Governance Policy Manual Board of Directors' Corporate Governance Manual VIII. CORPORATE GOVERNANCE STRUCTURE 1.3 Board of Directors 1.4 Qualification of Board of Directors	
Recommendation 1.2			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	Our Management Updated list of the Board of Directors and Corporate Officers	
Recommendation 1.3			
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	COMPLIANT	Corporate Governance Policy Manual Board of Directors' Corporate Governance Manual VIII. CORPORATE GOVERNANCE STRUCTURE 2. Board Committees 2.2. Corporate Governance Committee 2.2.4 2.2.6	
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors	COMPLIANT	Corporate Governance Policy Manual VIII. CORPORATE GOVERNANCE STRUCTURE 1. Board of Directors 1.4. Qualifications of the Board of Directors 1.4.8.	

3. Company has relevant annual continuing training for all directors.	COMPLIANT	2022 Annual Corporate Governance Report (2022) Certificate of Attendance: Workshop on Corporate Planning	
Reccomendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	Board of Directors Charter Board Directors Charter Board of Directors (2022) 3 Females 4 Males	
Reccomendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary	COMPLIANT	Corporate Governance Policy Manual 3 Key officers and their responsibilities 3.4 The Corporate Secretary	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT	Corporate Governance Policy Manual 3 Key officers and their responsibilities 3.6 Compliance Officer	
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT	ATTY. ADRIENNE C. ESPAÑOLA	
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	2022 Annual Corporate Governance Report (2022) Certificate of Attendance: Workshop on Corporate Planning	
Reccomendation 1.6			

1. Board is assisted by a Compliance Officer.	COMPLIANT	Corporate Governance Policy Manual 3 Key officers and their responsibilities 3.6 Compliance Officer	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT	Corporate Governance Policy Manual 3 Key officers and their responsibilities 3.6 Compliance Officer	
3. Compliance Officer is not a member of the board.	COMPLIANT	Our Management - Board of Directors - Mr. Jose T. Vallejos, Jr.	
4. Compliance Officer attends training/s on corporate governance annually.	COMPLIANT	2022 Annual Corporate Governance Report (2022) Certificate of Attendance: Workshop on Corporate Planning	
Principle2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Reccomendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	COMPLIANT	Corporate Governance Policy Manual VIII. Corporate Governance Structure 1. Board of Directors 1.2 Key Responsibilities 1.3 General Responsibilities of the BOD Board Resolutions / Minutes of meeting	
Reccomendation 2.2			

1. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	Corporate Governance Policy Manual VIII. Corporate Governance Structure 1.2. Key Responsibilities of the Board of Directors 1.2.1 1.2.2 1.3. General Responsibilities of the Board of Directors 1.3.3	
2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength	COMPLIANT	- 2022 Strategic Planning	
Reccommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	Our Management - Board of Directors Board of Directors (2022) - Atty. Emmanuel F. Dooc	
Reccommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	The Board Succession Policy	
2. Board adopts a policy on the retirement for directors and key officers	COMPLIANT		
Reccommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	COMPLIANT	Remuneration Committee Charter	

2. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	Remuneration Committee Charter Section 4 – Committee Procedure (VIII)	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	Remuneration Committee Charter	
Reccomendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	Nomination Committee Charter Section 2: Duties and Responsibilities	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		
3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	COMPLIANT		
4. Board nomination and election policy includes how the board reviews nominated candidates.	COMPLIANT		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		
Reccomendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	COMPLIANT	Related Party Transactions Policy	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT		
Reccomendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	Corporate Governance Policy Manual VIII. Corporate Governance Structure 1.3 General Responsibilities of the Board of Directors 1.3.7 1.3.8 1.3.22	

<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>COMPLIANT</p>	<p>Corporate Governance Policy Manual VIII. Corporate Governance Structure 1.3. General Responsibilities of the Board of Directors 1.3.3 1.3.10 1.3.11 1.3.15</p>	
<p>Reccomendation 2.9</p>			
<p>1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.</p>	<p>COMPLIANT</p>	<p>Corporate Governance Policy Manual VIII. Corporate Governance Structure 1.3. General Responsibilities of the Board of Directors 1.3.10 1.3.11 1.3.15</p>	
<p>2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.</p>	<p>COMPLIANT</p>	<p>Corporate Governance Policy Manual VIII. Corporate Governance Structure 1. Board of Directors 1.3. General Responsibilities of the Board of Directors 1.3.11 1.3.15</p>	
<p>Reccomendation 2.10</p>			
<p>1. Board oversees that an appropriate internal control system is in place.</p>	<p>COMPLIANT</p>	<p>Corporate Governance Policy Manual VIII. Corporate Governance Structure 1. Board of Directors 1.3. General Responsibilities of the Board of Directors 1.3.12 Audit Committee Charter</p>	

2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT	Corporate Governance Manual IX. Corporate Governance Structure 1. Board of Directors 1.3. General Responsibilities of the Board of Directors 1.3.12 Audit Committee Charter	
3. Board approves the Internal Audit Charter.	COMPLIANT	Audit Committee Charter	
Reccomendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	COMPLIANT	Corporate Governance Policy Manual 1.3. General Responsibilities of the Board of Directors 1.3.12 Risk Oversight Committee Charter Audit Committee Charter The Company was able to meet the Net Worth Requirements for Insurance Companies as of December 31, 2022 as mandated by the New Insurance Code due to adherence to the underwriting guidelines of the Company.	
2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT		
Reccomendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	COMPLIANT	Board of Directors Charter	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT	Board of Directors Charter	
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT	Board of Directors Charter	
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Reccomendation 3.1			

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	COMPLIANT	Board of Directors Charter Section 9. Board Committees	
Reccommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	COMPLIANT	Audit Committee Charter	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	Our Management - Committees Audit Committee	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	Our Management Audit Committee Board of Directors (2022)	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	Our Management - Committees Audit Committee - Sonia M. Roco (Chairman)	
Reccommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	COMPLIANT	Corporate Governance Policy Manual	Corporate Governance Committee was replaced by the following: -Nomination Committee Charter -Remuneration Committee Charter
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	COMPLIANT		Corporate Governance Committee was replaced by the following: -Nomination Committee Charter -Remuneration Committee Charter
3. Chairman of the Corporate Governance Committee is an independent director.	NON-COMPLIANT		Corporate Governance Committee was replaced by the following: -Nomination Committee Charter -Remuneration Committee Charter
Reccommendation 3.4			

1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	COMPLIANT	Risk Oversight Committee Charter	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	Risk Oversight Committee Charter Section 3. Committee composition	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	Our management - Committees Risk Oversight Committee - Edmund V. Saiyo	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	Our Management - Committees Risk Oversight Committee - Mr. Romulo I. Delos Reyes, Jr.	
Reccommendation 3.5			
1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	Our Management - Committees Related Party Transaction Committee	
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	COMPLIANT	Our Management - Committees Related Party Transaction Committee—Members	
Recommendation 3.6			
1. All established committees have a Committee Charters stating in plain terms their respective purposes, memberships, structures,	COMPLIANT	Stronghold Board of Directors Charter.pdf (strongholdinsurance.com.ph)	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT		
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	Our Corporate Governance Corporate Governance Charter	
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			

1. The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele- /video conferencing conducted in accordance with the rules and regulations of the Commission.	COMPLIANT	Board of Directors Charter Section 4. Board Meetings and Quorum of the Meetings Minutes of the Board Meeting (2022)	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Board of Directors Charter Minutes of the Board Meeting	
3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	Board of Directors Charter Minutes of the Board Meeting	
Recommendation 4.2			
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.	COMPLIANT	Corporate Governance Policy Manual VIII. Corporate Governance Structure 1.Board of Directors 1.4 1.4.6	
Recommendation 4.3			
1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	COMPLIANT	Corporate Governance Policy Manual VIII. Corporate Governance Structure 1.Board of Directors 1.4 1.4.6	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors.	COMPLIANT	Our Management - Board of Directors Board of Directors (2022)	
Recommendation 5.2			

<p>1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.</p>	<p>COMPLIANT</p>	<p>Corporate Governance Policy Manual 1. Board of Directors 1.6. Qualifications of an Independent Director 1.7. Disqualification of an Independent Director Qualification Standards for Directors</p>	
<p>Recommendation 5.3</p>			
<p>1. The independent directors serve for a maximum cumulative term of nine years.</p> <p>As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016.</p> <p>For other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.</p>	<p>COMPLIANT</p>	<p>Corporate Governance Policy Manual VIII. Corporate Governance Structure 1. Board of Directors 1.8. Term Limits of Independent Directors 1.8.1 1.8.2</p>	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>COMPLIANT</p>	<p>Corporate Governance Policy Manual VIII. Corporate Governance Structure 1. Board of Directors 1.8. Term Limits of Independent Directors 1.8.1</p>	
<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.</p>	<p>NON-COMPLIANT</p>		<p>No instance the company retained and independent director in the same capacity after nine years.</p>
<p>Recommendation 5.4</p>			

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	Our Management - Board of Directors Chairman of the Board – Atty. Emmanuel F. Dooc President & General Manager – Romulo I. Delos Reyes Jr.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	Corporate Governance Policy Manual VIII. Corporate Governance Structure 1.Board of Directors 1.10.Specific Duties and Responsibilities of the Chairman of the Board 3.Key Officers and their Responsibilities 3.1 The President and General Manager Board of Directors Charter	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	COMPLIANT	Our Management - Board of Directors	The Chairman of the Board is an Independent Director
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	COMPLIANT	Corporate Governance Policy Manual Related Party Transactions Policy	No Directors had any material interest in the transactions of the company
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	COMPLIANT	Related Party Transactions Policy Section 4. Committee Procedures	
2. The meetings are chaired by the lead independent director.	COMPLIANT	Related Party Transactions Policy Section 4. Committee Procedures	
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. The Board conducts an annual assessment of its performance as a whole.	COMPLIANT	Section 12. Board of Directors Charter Performance Assessment of Directors and Key Officers	

2. The performance of the Chairman is assessed annually by the Board.	COMPLIANT	Section 12. Board of Directors Charter Performance Assessment of Directors and Key Officers	
3. The performance of the individual member of the Board is assessed annually by the Board.	COMPLIANT	Section 12. Board of Directors Charter Performance Assessment of Directors and Key Officers	
4. The performance of each committee is assessed annually by the Board.	COMPLIANT	Section 12. Board of Directors Charter Performance Assessment of Directors and Key Officers	
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT	Section 12. Board of Directors Charter Performance Assessment of Directors and Key Officers	
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	COMPLIANT	Board of Directors' Charter Section 12. Annual Performance Evaluation of the Board and Key Officer	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT		
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	COMPLIANT	Corporate Governance Policy Manual	
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	Corporate Governance Policy Manual	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	Company Homepage Website	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	Employee Handbook of Conduct • Company Rules & Regulations and Disciplinary Actions • Company rule of Conduct—Page 39 • The Disciplinary Action Process—Pages 42-45 • Offences & Sanctions/ Disciplinary Actions—Pages 42 All Employees as defined in Employee Handbook Manual	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT		
DISCLOSURE AND TRANSPARENCY			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	Corporate Governance Policy Manual Minutes of Annual General Membership Meeting	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	Our Management - Board of Directors	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment	COMPLIANT	Our Management - Board of Directors	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	COMPLIANT	Board of Directors' Charter Section 8. Compensation of Board Members Remuneration Charter	
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	COMPLIANT	Remuneration Charter	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	NON-COMPLIANT		Confidential Officers and Employee including retirement are not subject to disclosure because the Company is a private entity.
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions	COMPLIANT	Related Party Transactions Policy	

2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.	COMPLIANT	Minutes of Meeting of the Board for 2022	
Recommendation 8.7			
1. Company's Corporate Governance	COMPLIANT	Our Corporate Governance	
2. Company's MCD is posted on its company website	COMPLIANT	Our Corporate Governance	
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	Audit Committee Charter	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	Audit Committee Charter	
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	NON-COMPLIANT		No such instance that the Company changed or removed the external audit
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	COMPLIANT	Audit Committee Charter Section 2. Duties and Responsibilities	

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	Audit Committee Charter Section 2 Duties and Responsibilities	
Recommendation 9.3			
1. Company disclose the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	No non-audit services are performed by the External Auditor	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	COMPLIANT	No non-audit services are performed by the External Auditor	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, emphasis on the management of economic, environmental, social and governance (EESG) issues of its business which underpin Sustainability	COMPLIANT	Corporate Governance Policy Manual Sustainability	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	NON-COMPLIANT		No mandatory requirement is required in submission of report on Sustainability and Non-Financial issues.
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public	COMPLIANT	Company Homepage Website	
INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT FRAMEWORK			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	Audit Committee Charter	

2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	Risk Oversight Committee Charter Section 7 – Amendment, Alteration or Modification	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations	COMPLIANT	Audit Committee Charter Internal Audit is in-house	
Recommendation 12.3			
1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	Audit Committee Charter List of Company Corporate officers	
2. CAE oversees and is responsible for the internal audit activity of the organization including that portion that is outsourced to a third party service provider.	COMPLIANT		
1. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	NON-COMPLIANT		Internal Audit activities are not outsourced
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	Risk Oversight Committee Charter	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	Mr. Joel T. Almagro	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities	COMPLIANT		
CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS			

Principle 13: The Company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	Corporate Governance Policy Manual 21X. Rights and Protection of Stockholders	
2. Board ensures that basic shareholders rights are disclosed on the company's website	COMPLIANT		
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.	COMPLIANT	Notice of Annual Stockholder's Meeting (2022)	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT	Minutes of AGM (2022)	
2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.	COMPLIANT	Minutes of AGM (2022)	
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner	COMPLIANT	HRD/ LEGAL DEPARTMENT	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	Corporate Governance Policy Manual Annual Audit Meeting	
DUTIES TO STAKEHOLDERS			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability	COMPLIANT	Corporate Governance Policy Manual VII. Definition of Terms and Stake holders VIII. Stockholders Corporate Governance Structure 1. Board of Director 1.3. General Responsibilities of the Board of Directors 1.3.20	

Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	Corporate Governance Policy Manual X. Public Accountability XI. Reports and Disclosure	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	Whistleblowing Policy	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	COMPLIANT	Corporate Governance Policy Manual	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	COMPLIANT	Stronghold Insurance Company, Inc. Employee Handbook of Conduct Page 9 – Corruption	Not uploaded in the Company website due to confidential information.
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	1. Each employee is given a copy of the Employee Handbook of Conduct to familiarize themselves with its content. 2. Orientation being conducted for new employees	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	COMPLIANT	Corporate Governance Policy Manual Communication—Page 9	

2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	COMPLIANT	Corporate Governance Policy Manual	
3. Board supervises and ensures the enforcement of the whistleblowing framework	COMPLIANT	Corporate Governance Policy Manual	
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	COMPLIANT	Corporate Governance Policy Manual VIII. Corporate Governance Structure 1. Board of Directors 1.3. General Responsibilities 1.3.20 Corporate Social Responsibility	