STRONGHOLD
INSURANCE COMPANY, INCORPORATED

INSURANCE COMMISSION
ADMINISTRATIVE DIVISION
RECORDS - RECEIVING
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MAY 30 2025
Adolfo V. Neri, Jr.
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Administrative Division

28 May 2025

ATTY. REYNALDO A. REGALADO
Insurance Commissioner
INSURANCE COMMISSION
1071 United Nation Avenue,
Manila

Re: **SUBMISSION OF 2024 ANNUAL CORPORATE GOVERNANCE REPORT**

Dear Sir,

We are pleased to submit the Company's 2024 Annual Corporate Governance Report in compliance with Insurance Commission Circular Letter No. 2020-72 dated 13 June 2020.

Thank you.

Very truly yours,

SGD.

ROMULO I. DELOS REYES, JR.
President & General Manager

2024 ANNUAL CORPORATE GOVERNANCE REPORT

OF

STRONGHOLD INSURANCE COMPANY, INC.

1. For the fiscal year ended	**2024**
2. Certificate Authority Number	**Blg. 2022/14-R**
3. Province, Country or Other jurisdiction of incorporation or organization	**Philippines**
4. Address of principal office	**17th Floor, Security Bank Centre, 6776 Ayala Avenue, Makati City, Metro Manila** Postal Code: **1223**
5. Company's telephone number, including area code	**(632) 8891-1329 to 37**
6. Company's official website	**strongholdinsurance.com.ph**
7. Former name, former address, and former fiscal year, if changed since last report.	**N/A**

PREPARED BY:

SGD.

JXYL JILL D. PAHILGA, CPA
Compliance Officer

ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/NON- COMPLIANT	**ADDITIONAL INFORMATION**	**EXPLANATION**
THE BOARD'S GOVERNANCE RESPONSIBILITIES			
PRINCIPLE 1: 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**	The Board is composed of **seven (7)** Directors. Link/reference: • **General Information Sheet** • **Board of Directors**	
2. Board has an appropriate mix of competence and expertise	**Compliant**		
3. Members of the Board remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	**Compliant**		
RECOMMENDATION 1.2			
1. Board is composed of a majority of non-executive directors	**Compliant**	There are **four (4) Non-Executive Directors** out of the total of 7. Link/reference: • **General Information Sheet** • **Board of Directors**	
RECOMMENDATION 1.3			

<table>
<tr><td>1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors</td><td>Compliant</td><td rowspan="3">The Board attended the 2024 Corporate Governance Seminar held on March 1, 2024 (8:00AM – 5:00PM) at Discovery Primea, Makati City conducted by Insurance Institute for Asia and the Pacific, Inc. (IIAP).

Link/reference:
• Corporate Governance Policy Manual
• Charter of the Board of Directors</td><td></td></tr>
<tr><td>2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors</td><td>Compliant</td><td></td></tr>
<tr><td>3. Company has relevant annual continuing training for all directors.</td><td>Compliant</td><td></td></tr>
<tr><td colspan="4">RECOMMENDATION 1.4</td></tr>
<tr><td>1. Board has a policy on board diversity</td><td>Compliant</td><td>Link/reference:
• Board Diversity Policy
• General Information Sheet
• Board of Directors</td><td></td></tr>
<tr><td colspan="4">RECOMMENDATION 1.5</td></tr>
<tr><td>1. Board is assisted in its duties by a Corporate Secretary</td><td>Compliant</td><td rowspan="4">The Corporate Secretary of the Company is Adrienne C. Española.

She is not the Compliance Officer of the Company.

She is not a member of the Board of Directors.

Link/reference:
• Latest General Information Sheet</td><td></td></tr>
<tr><td>2. Corporate Secretary is a separate individual from the Compliance Officer.</td><td>Compliant</td><td></td></tr>
<tr><td>3. Corporate Secretary is not a member of the Board of Directors.</td><td>Compliant</td><td></td></tr>
<tr><td>4. Corporate Secretary attends training/s on corporate governance.</td><td>Compliant</td><td></td></tr>
</table>

		• **Corporate Officers** Ms. Española **attended the following seminar/s** conducted by: 1. **Insurance Institute for Asia and the Pacific, Inc. (IIAP):** a. **2024 Corporate Governance** Seminar held on March 1, 2024 (8:00AM – 5:00PM) at Discovery Primea, Makati City 2. **Institute of Corporate Directors (ICD)**: a. **Global Governance Summit** "Leading the Future, Strengthening Unity" held on September 19, 2024 (9:30AM – 3:30 PM) at Marriott Hotel Manila, Pasay City b. **Corporate Governance Roundtable Discussions for Insurance Companies** held on October 23, 2024 (2:00PM – 4:00PM) through Zoom Meetings	
RECOMMENDATION 1.6			
1. Board is assisted by a Compliance Officer	**Compliant**	The Compliance Officer of the Company is **Jxyl Jill D. Pahilga.**	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	**Compliant**	She has a rank of **Vice-President** in the Company.	

3. Compliance Officer is not a member of the board	**Compliant**	She is **not** a member of the Board of Directors. Link/reference: • **Corporate Officers** Ms. Pahilga **attended the following seminar/s** conducted by: 1. **Insurance Institute for Asia and the Pacific, Inc. (IIAP)**: a. **2024 Corporate Governance** Seminar held on March 1, 2024 (8:00AM – 5:00PM) at Discovery Primea, Makati City	
4. Compliance Officer attends trainings/s on corporate governance annually.	**Compliant**		
PRINCIPLE 2: 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.			
RECOMMENDATION 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**	The Company ensure that every incoming Director acts on fully informed basis through conduct of orientation and giving access to all relevant company records. Link/reference: • **Articles of Incorporation** • **Amended By-Laws** • **General Information Sheet** • **Audited Financial Statement**	

		• Corporate Governance Policy Manual • Charter of the Board of Directors	
RECOMMENDATION 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	**Compliant**	The Board provides active oversight starting from formulation of Company's objectives and strategies and ensures the effective implementation of the same. Link/reference: • Amended By-Laws • Corporate Governance Policy Manual • Charter of the Board of Directors • Minutes of Regular Meeting of the Board of Directors	
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**		
RECOMMENDATION 2.3			
1. Board is headed by a competent and qualified Chairperson.	**Compliant**	The Chairman of the Board is **Atty. Emmanuel F. Dooc**. Link/reference: • General Information Sheet • Board of Directors	
RECOMMENDATION 2.4			

1. Board ensures and adopts an effective succession planning program for directors, key officers and management	**Compliant**	Link/reference: • **Board Succession Policy** • **Corporate Governance Policy Manual** • **Employee Handbook of Conduct**	
2. Board adopts a policy on the retirement for directors and key officers	**Compliant**		
RECOMMENDATION 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	**Compliant**	The Board formulates policies on remuneration and performance of officers and directors, aligning them with the Company's long-term interests, while observing limits on deliberating its own compensation. Link/reference: • **Amended By-Laws** • **Corporate Governance Policy Manual** • **Remuneration Committee Charter** • **Charter of the Board of Directors** • **Employee Handbook of Conduct**	
2. Board aligns the remuneration of key officers and board members with long-term interests of the company.	**Compliant**		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration	**Compliant**		
RECOMMENDATION 2.6			
1. Board has a formal and transparent board nomination and election policy.	**Compliant**	The Board upholds a formal, transparent, and merit-based nomination and election policy to ensure selection of qualified and diverse	

2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	**Compliant**	directors aligned with the Company's strategic vision. Link/reference: • **Corporate Governance Policy Manual** • **Charter of the Board of Directors** • **Nomination Committee Charter**	
3. Board nomination and election policy includes how the company accepts nomination 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**		
RECOMMENDATION 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**	Link/reference: • **Related Party Transaction Policy** • **Charter of the Board of Directors** • **Corporate Governance Policy Manual**	
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**		
RECOMMENDATION 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**	Link/reference: • **Corporate Governance Policy Manual** • **Charter of the Board of Directors** • **Amended By-Laws**	
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)	**Compliant**		
RECOMMENDATION 2.9			
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.	**Compliant**	Link/reference: • **Corporate Governance Policy Manual** • **Charter of the Board of Directors**	
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	**Compliant**		

RECOMMENDATION 2.10			
1. Board oversees that an appropriate internal control system is in place	**Compliant**	Link/reference: • Corporate Governance Policy Manual • Charter of the Board of Directors • Risk Oversight Committee Charter	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	**Compliant**		
3. Board approves the Internal Audit Charter	**Compliant**		
RECOMMENDATION 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**	Link/reference: • Corporate Governance Policy Manual • Charter of the Board of Directors • Risk Oversight Committee Charter	
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**		
RECOMMENDATION 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**	Link/reference: • Amended By-Laws • Corporate Governance Policy Manual	

2. Board Charter serves as a guide to the directors in the performance of their functions.	**Compliant**	• Charter of the Board of Directors • Audit Committee Charter • Nomination Committee Charter • Remuneration Committee Charter • Related Party Transactions Policy • Risk Oversight Committee Charter	
3. Board Charter is publicly available and posted on the company's website.	**Compliant**		
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.			
RECOMMENDATION 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**	Link/reference: • Board Committees • Corporate Governance Policy Manual • The Charter of the Board of Directors • Audit Committee Charter • Nomination Committee Charter • Remuneration Committee Charter • Related Party Transactions Policy	

		• Risk Oversight Committee Charter	
RECOMMENDATION 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**	Link/reference: • Amended By-Laws • Corporate Governance Policy Manual • The Charter of the Board of Directors • 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**	Link/reference: • General Information Sheet • Board of Directors • Board Committees • Minutes of the Annual Stockholders' Meeting	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	**Compliant**		
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	**Compliant**		
RECOMMENDATION 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the	**Compliant**	Link/reference: • Amended By-Laws	

performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.		• Corporate Governance Policy Manual • The Charter of the Board of Directors • 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**	Link/reference: • General Information Sheet • Board of Directors • Board Committees • Minutes of the Annual Stockholders' Meeting	
3. Chairman of the Corporate Governance Committee is an independent director.	**Compliant**		
RECOMMENDATION 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**	Link/reference: • Amended By-Laws • Corporate Governance Policy Manual • The Charter of the Board of Directors • 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**	Link/reference: • General Information Sheet • Board of Directors	

3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	**Compliant**	• **Board Committees** • **Minutes of the Annual Stockholders' Meeting**	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management	**Compliant**		
RECOMMENDATION 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**	Link/reference: • **Amended By-Laws** • **Corporate Governance Policy Manual** • **The Charter of the Board of Directors** • **Related Party Transactions Policy**	
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	**Compliant**	Link/reference: • **General Information Sheet** • **Board of Directors** • **Board Committees** • **Minutes of the Annual Stockholders' Meeting**	
RECOMMENDATION 3.6			
1. All established committees have a Committee Charters stating in plain terms their respective purposes, memberships,	**Compliant**	Link/reference:	

structures, operations, reporting process, resources and other relevant information.		• Risk Oversight Committee Charter • Audit Committee Charter • Nomination Committee Charter • Remuneration Committee Charter • Related Party Transactions Policy • Corporate Governance Policy Manual • The Charter of the Board of Directors	
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**		

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/videoconferencing conducted in accordance with the rules and regulations of the Commission.	**Compliant**	Link/reference: • Amended By-Laws • Corporate Governance Policy Manual • Charter of the Board of Directors • Board Calendar • Notice and Minutes of Board and Committee Meetings	
2. The directors review meeting materials for all Board and Committee meetings.	**Compliant**		
3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	**Compliant**		

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**	Link/reference: • Corporate Governance Policy Manual • Charter of the Board of Directors	
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**	Link/reference: • Corporate Governance Policy Manual • Charter of the Board of Directors	
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**	There are **four (4) Non-Executive and Independent Directors** out of the total of 7. Link/reference: • General Information Sheet • Board of Directors	
RECOMMENDATION 5.2			

1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	**Compliant**	Link/reference: • **Corporate Governance Policy Manual** • **The Charter of the Board of Directors** • **General Information Sheet** • **Board of Directors**	
RECOMMENDATION 5.3			
1. The independent directors serve for a maximum cumulative term of nine years. 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. 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.	**Compliant**	Link/reference: • **Corporate Governance Policy Manual** • **The Charter of the Board of Directors** • **Board of Directors**	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	**Compliant**		
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the	**Compliant (and Not Applicable to the Company)**		The Company has **not** retained an Independent

Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.			Director for more than nine (9) years.
RECOMMENDATION 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by a separate individual.	**Compliant**	The Chairman of the Board is **Atty. Emmanuel F. Dooc**. The President & General Manager is **Romulo I. Delos Reyes, Jr.** Link/reference: • General Information Sheet • Board of Directors • Corporate Officers • Amended By-Laws • Corporate Governance Policy Manual • Charter of the Board of Directors	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	**Compliant**		
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**	The Chairman of the Board **Atty. Emmanuel F. Dooc** is a Non-Executive Director. Link/reference: • General Information Sheet • Board of Directors	
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**	Link/reference: • Corporate Governance Policy Manual • Related Party Transactions Policy • The Charter of the Board of Directors	
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**	Link/reference: • Corporate Governance Policy Manual • The Charter of the Board of Directors • Board Calendar • Board Committees • Audit Committee Charter • Notice and Minutes of Board Committees' Meetings	
2. The meetings are chaired by the lead independent director	**Compliant**		
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**	Link/reference: • Corporate Governance Policy Manual • The Charter of the Board of Directors	
2. The performance of the Chairman is assessed annually by the Board.	**Compliant**		

3. The performance of the individual member of the Board is assessed annually by the Board.	**Compliant**		
4. The performance of each committee is assessed annually by the Board.	**Compliant**		
5. Every three years, the assessments are supported by an external facilitator.	**Compliant**		
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**	Link/reference: • Corporate Governance Policy Manual • The Charter of the Board of Directors	
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**	Link/reference: • Codes of Conduct • Codes of Conduct Corporate Governance Policy Manual	
2. The Code is properly disseminated to the Board, senior management and employees.	**Compliant**		

3. The Code is disclosed and made available to the public through the company website.	**Compliant**		
RECOMMENDATION 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	**Compliant**	Link/reference: • [Codes of Conduct] • [Corporate Governance Policy Manual] • [Employee Handbook of Conduct]	
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**	Link/Reference: • [Corporate Governance Policy Manual] • [The Charter of the Board of Directors] • [Minutes of the Annual Stockholders' Meeting]	
RECOMMENDATION 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and	**Compliant**	Link/reference:	

qualifications, and assess any potential conflicts of interest that might affect their judgement.		• Corporate Governance Policy Manual • Nomination Committee Charter • The Charter of the Board of Directors • General Information Sheet • Board of Directors • Corporate Officers	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interests that might affect their judgement.	**Compliant**		
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**	Link/reference: • Amended By-Laws • Corporate Governance Policy Manual • Charter of the Board of Directors • Remuneration Committee Charter • Employee Handbook of Conduct • Latest Audited Financial Statement	
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**		
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	**Compliant**		
RECOMMENDATION 8.5			

1. Company disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.	**Compliant**	Link/reference: • [Related Party Transaction Policy] • [Corporate Governance Policy Manual]	
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**		
RECOMMENDATION 8.7			
1. Company's corporate governance policies programs and procedures are contained in its Manual on Corporate Governance (MCG).	**Compliant**	Link/reference: • [Corporate Governance Policy Manual]	
2. Company's MCG is posted on its company website.	**Compliant**		
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**	Link/reference: • [Corporate Governance Policy Manual]	

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** • **The Charter of the Board of Directors** • **Minutes of the Annual Stockholders' Meeting**	
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.	**Compliant**		
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**	Link/reference: • **Audit Committee Charter**	
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**		
RECOMMENDATION 9.3			

1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	**Compliant**	Link/reference: • **Audited Annual Financial Statement** • **Audit Committee Charter**	
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**		
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, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	**Compliant**	Link/reference: • **Corporate Governance Policy Manual** • **Sustainability Reports**	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	**Compliant**		
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**	Link/reference: • **Strongholdinsurance.com.ph**	
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**	Link/reference: • **Corporate Governance Policy Manual** • **Risk Oversight Committee Charter**	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	**Compliant**		
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**	Link/reference: • **Amended By-Laws** • **Corporate Governance Policy Manual** • **Charter of the Board of Directors** • **Corporate Officers**	
RECOMMENDATION 12.3			

1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.	**Compliant**	Link/reference: • **Corporate Officers** • **Amended By-Laws** • **Corporate Governance Policy Manual**	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that a portion that is outsourced to a third party service provider.	**Compliant**		
3. In case of a fully outsourced internal audit activity, qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	**Compliant**		
RECOMMENDATION 12. 4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	**Compliant**	Link/reference: • **Corporate Governance Policy Manual** • **The Charter of the Board of Directors** • **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**	Link/reference: • **Corporate Officers**	

2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	**Compliant**		
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**	Link/reference: • **Corporate Governance Policy Manual**	
2. Board ensures that basic shareholder 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**	Link/reference: • **Corporate Governance Policy Manual** • **Notice of the Annual Stockholders' Meeting**	
RECOMMENDATION 13.3			
1. Board encouraged 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**	Link/Reference: • **Notice and Minutes of the Annual Stockholders' Meeting**	

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**		
RECOMMENDATION 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner	**Compliant**	Link/reference: • Corporate Governance Policy Manual	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	**Compliant**		
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**	Link/reference: • General Information Sheet • Corporate Governance Policy Manual	
RECOMMENDATION 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	**Compliant**	Link/reference: • Corporate Governance Policy Manual • Board Diversity Policy • Whistleblowing Policy	

		• Related Party Transactions Policy • Community Relations Policy • Board Succession Policy • Anti-Bribery Policy	
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**	Link/reference: • Corporate Governance Policy Manual • 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**	Link/reference: • 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**	Link/reference: • Corporate Governance Policy Manual • Codes of Conduct • Whistleblowing Policy • Anti-Bribery Policy • Employee Handbook of Conduct	
2. Board disseminates the policy and program to employees across the organization through	**Compliant**		

trainings to embed them in the company's culture.			
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**	Link/reference: • **Corporate Governance Policy Manual** • **Whistleblowing Policy** • **Employee Handbook of Conduct**	
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**		
3. Board supervises and ensures the enforcement of the whistleblowing framework.	**Compliant**		
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**	Link/reference: • **Corporate Governance Policy Manual** • **Corporate Social Responsibility Activities**	