

Triple-S Management Corporation NYSE:GTS Shareholder/Analyst Call

Friday, April 24, 2020 2:00 PM GMT

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Call Participants

EXECUTIVES

Unknown Executive

Presentation

Operator

Good day, and welcome to the Triple-S Management Corporation Annual Meeting of Shareholders.

I would now like to turn the conference over to Dr. Luis Clavel. Please go ahead.

Unknown Executive

Yes. Good morning, ladies and gentlemen. It is my great pleasure to welcome you to the Annual Meeting of Shareholders of Triple-S Management Corporation. My name is Dr. Luis Clovel Chairman of the Board of Directors. And pursuant to the bylaws of the corporation, I will be acting as Chair of the meeting.

Due to the public health impact of the COVID-19, to protect the health and well-being of attendees and accommodate restrictions in place during the pandemic, the corporation announced the change in the format of its annual meeting of shareholders from in-person to a virtual-only format. Since the beginning of this difficult situation, Triple-S has been working hard to protect the health and well-being of our members and employees. We will provide additional information about the impact of the COVID-19 situation on our business and operations during the next earning call.

It is 9:02 a.m. This meeting will please come to order. Atty. Carlos Rodríguez Ramos, Secretary of the Corporation and Chief Legal Counsel, will act as the secretary of this meeting. The Secretary will now report on the formal matters in connection with the organization of this meeting.

Unknown Executive

Good morning. The affidavit has been delivered, attesting the fact that the notice of availability of the meeting material was distributed to shareholders of record on March 12, 2020. The affidavit will be incorporated into the minutes of this meeting. A list of all shareholders of record, also available for inspection by the shareholders at the bottom of the screen in the virtual meeting web page.

We are informed by the inspector of election that they are represented in person or by proxy, 19,089,310 shares of common stock in the meeting, representing approximately 81.16% of the 23,519,074 shares of common stock issued, an outstanding as of the record date. Since the holder of more than 1/3 of the shares entitled to vote are represented at this meeting, in-person or by proxy, a proper quorum is present. The certification of quorum will also be part of the minutes of this meeting.

Unknown Executive

Thanks, Mr. Secretary. Since due notice of the meeting has been given, and a quorum is present in-person or by proxy, I declare the 2020 Annual Meeting of Shareholders of Triple-S Management Corporation competent to transact the business of which it was called. As Chair of the meeting, I will conduct the meeting consistent with the requirements of our articles of incorporation, bylaws and applicable law. Because this is a meeting of our shareholders, only our shareholders as of close of business of -- on the record date of February 26, 2020, may vote or submit questions while participating in the virtual annual meeting. To vote or submit questions, please log in as a shareholder by entering the control number you received in your proxy material. If you encounter any difficulties assessing the virtual meeting during the check-in time, or meeting time or if you have any questions regarding how to use the virtual meeting platform, please call the technical support number provided on the virtual shareholder meeting log-in page.

We will strictly follow the agenda as we conduct the meeting. The polls will be closed upon the announcement of poll closing by the Corporate Secretary. If you have voted your shares prior to the start of the meeting, your vote has been received by the company inspector of election, and unless you wish to change your vote, you do not need to take any further action.

Questions may be submitted in the field provided on the web portal. However, the purpose of the meeting will be observed, and only questions about proposals included in the agenda, to be voted on by the shareholders and discussed in the proxy material will be answered. In addition, to be considered, such questions would be submitted by shareholders prior to the discussion of the matter before the annual meeting. For all other inquiries, please contact our Investor Relation Officer after the meeting. His contact information can be found in the corporation website.

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Mr. Jorge Fuentes Benham, member of our Board of Directors, will now give an invocation. Mr. Fuentes?

Unknown Executive

Good morning. Dear Lord, we acknowledge your divine and internal presence. We thank you for life, our health and the privilege it is to serve you. Guide us to this Triple-S Management 22nd Annual Meeting of Shareholders. In these times of uncertainty, lead us through the path of faith, reason and understanding, that request for the common well-being becomes deeply embedded in each and every one of us and that mutual respect reign over each other's opinion, that we plant with the outcome of these proceedings, the seed of our future co-existence. Above all, Lord, provide us with the knowledge to project a healthy future for our corporation, enacting for the physical and mental health of all of our constituents, especially in these historic times filled with ongoing challenges after Hurricanes Irma and Maria, the continuous earthquakes, COVID-19 and the excessively slow recovery and healing process. We implore, Good Lord, that we implant in all our positive mines the seed of innovation that will guide us in understanding and developing solutions to the complex economic, social and political challenges facing the world, that we may continue to thrive, as a nation, to coexist in piece, that we may continue to provide our future generations to a healthier and better world. Now we shall hold a minute of silence in remembrance of our federal stakeholders that are no longer with us.

Unknown Executive

Thank you, Mr. Fuentes.

Unknown Executive

I turn the meeting back to you, Mr. Chairman. Have a good day.

Unknown Executive

Thank you. Before proceeding with the meeting, I would like to introduce all other members of our Board of Directors who have joined us at this meeting: Mr. David Chafey, Ms. Kari Dominguez; Mr. Geoffrey; Mr. Manuel Figueroa Co Jaso; Mr. Jorges Fuentes Benham, Ms. Gail Marcus; Mr. Roberto Santa Maria; and Mr. Roberto García, who is also our President and Chief Executive Officer.

The agenda for the meeting has been included on the right side of the screen of the virtual meeting web page. Mr. Peter Descovich, Broadridge Financial Solutions, Inc. representative has been appointed to act as inspector of the election. Mr. Descovich has executed his oath of office and delivered it to the secretary.

The next item on the agenda is the approval of the minutes of the annual meeting of shareholders held on April 26, 2019. The minutes are also part of the meeting materials included in the virtual meeting web page. We will now request approval of the minutes. The minutes are now presented for approval of the shareholders. Motion for approval.

[Voting]

Unknown Executive

No opposition?

We will now proceed to present the matters to be voted upon. Mr. Secretary?

Unknown Executive

The following 2 person has been nominated to serve for a 3-year terms until 2023 Annual Meeting of Shareholders. Ms. Cari Dominguez, Mr. Roberto Santa Maria. The proxy statement distributed to the shareholders included information about each candidate. A nominee must be elected by the affirmative vote of a majority of votes cast, with respect to such nominee, by the shares of common stock entitled to vote and present at the meeting or represented by proxy. An affirmative vote of a majority of vote cast on our proposal means that the vote cast forward -- the proposal exceeds the vote cast against such proposal. The Board of Directors recommends a vote for each nominee.

Mr. Chair, there being no questions regarding these proposals, we will now discuss the next proposal.

The second order of the business is the proposal to ratify the election of Deloitte & Touche as our independent registered public accounting firm for 2020. The proposal is discussed in the proxy statement distributed to the shareholders. The Board of Directors recommends a vote for the proposal.

Mr. Chair, there being no questions regarding this proposal, we will now discuss the next proposal.

The third order of business is an advisory resolution to approve the compensation of our named executive officers. The proposal is discussed in the proxy statement distributed to the shareholders. The Board of Directors recommends a vote for the proposal.

Mr. Chair, there will be no questions regarding this proposal. We will now discuss the next proposal.

The fourth order of business, the proposal to amend the Triple-S Management Corporation 2017 Incentive Plan. The proposal is discussed in the proxy statement distributed to the shareholders. The Board of Directors recommends a vote for the proposal.

Mr. Chair, there are no questions regarding these results.

As there are no questions that need to be answered at this time, we will proceed to vote for each of the pending proposals. Mr. Secretary, it is now 9:12 a.m. Eastern Time on April 24, 2020, and the polls are still open. Any shareholder who hasn't yet voted may do so at this moment on the web portal, following the instruction there.

[Voting]

Unknown Executive

Now that everyone has had the opportunity to vote, I now declare the polls for the 2020 annual meeting of shareholders of Triple-S Management Corporation closed at 9:13 a.m. Eastern Time on April 24, 2020. We will proceed to offer the preliminary results.

Unknown Executive

The inspector of election has informed me of the following preliminary results for the voting. First, with respect to the first proposal regarding the election of directors, the nominees received the following number of votes. For Ms. Cari Dominguez, 16,336,224 shares voted in favor; 1,389,115 shares voted against; and 30,280 shares abstained. For Mr. Roberto, Santa Maria, 17,575,799 shares voted in favor; 149,043 shares voted against; and 30,777 shares abstained. Therefore, the nominees have been elected to the Board of Directors of Triple-S Management Corporation for a term of 3 years.

Second, the results of the vote for the ratification of the selection of the independent external public auction -- accounting firm is as follows: 18,755,118 shares voted in favor; 333,440 shares voted against; and 752 shares abstained. Therefore, Deloitte & Touche has been ratified as the independent external public accounting firm.

Third, the results of the vote for the approval of the compensation of our named executive officers is as follows: 17,602,295 shares voted in favor; 100,098 shares voted against; and 53,226 shares obtained. Therefore, the proposal has been approved.

Fourth, the results of the vote for the approval of the amendment to the corporation's 2017 Incentive Plan is as follows: 16,710,157 shares voted in favor; 912,050 shares voted against; and 133,412 shares abstained. Therefore, the amendment to the 2017 Incentive Plan has been approved.

The inspection of the election will provide the secretary with a written report that will include the final voting results related to the proposal voted upon by the shareholders during the meeting. Said report should be included in the minutes of this meeting. In addition, we will be filing the final voting results with the Securities and Exchange Commission pursuant to a Form-8K within 4 days after the close of this meeting.

Mr. Secretary?

Unknown Executive

Mr. Chair, all the matters included in the agenda for this meeting has been addressed.

Unknown Executive

There being no further business to come before the meeting. The meeting is adjourned. The meeting has been adjourned at 9:18. Thank you all for attending. Good day.

Operator

The conference is now concluded. Thank you for attending today's presentation. You may now disconnect.

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