

TRIPLE-S MANAGEMENT CORP

Form DEF 14A

March 15, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

Information Required in Proxy Statement

Scheduled 14A Information

**Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934**

Filed by the Registrant: Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

TRIPLE-S MANAGEMENT CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

1) Title of each class of securities to which transaction applies:

2)Aggregate number of securities to which transaction applies:

3)Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4)Proposed maximum aggregate value of transaction:

5)Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1)Amount Previously Paid:

2)Form, Schedule or Registration Statement No.:

3)Filing Party:

4)Date Filed:

Triple-S Management Corporation
1441 F.D. Roosevelt Avenue – San Juan, Puerto Rico 00920

**Notice of
Annual Meeting of
Shareholders and
Proxy Statement**

Dear fellow Shareholder:

It is my pleasure to invite you to our annual meeting of shareholders, which will be held on Friday, April 26, 2019, at 9:00 a.m., local time, in our corporate offices located at 1441 F.D. Roosevelt Avenue, San Juan, Puerto Rico 00920.

At this year's meeting, we will elect two directors to our Board of Directors, ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for 2019, and vote on an advisory resolution to approve the compensation of the Company's named executive officers. We will also act on any other business matter properly brought before the meeting.

This booklet, which includes a formal notice of the meeting and the proxy statement, details the business to be conducted at the meeting and provides additional information about us and the meeting that you should consider as you cast your vote. I appreciate the time and attention you devote to reading these materials and voting your shares.

Your vote is very important to us. I encourage you to vote as soon as possible whether or not you plan to attend the meeting. You may cast your vote over the Internet or by telephone according to the instructions in the proxy statement and the notice. As an alternative, if you requested and received a printed copy of the proxy card by mail, you may complete, sign and date the proxy card in accordance with the instructions set forth in the proxy statement. You may also return the completed proxy card by mail in the postage-paid envelope provided with your request.

On behalf of the Board, thank you for your continued interest and support.

Sincerely,

Luis A. Clavell-Rodríguez, MD
Chair of the Board
March 15, 2019

Triple-S Management Corporation

P.O. Box 363628

San Juan, Puerto Rico 00936-3628

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND PROXY STATEMENT

To our Shareholders:

NOTICE IS HEREBY GIVEN that the 2019 Annual Meeting of Shareholders will be held on Friday, April 26, 2019, at 9:00 a.m., local time, in our corporate offices located at 1441 F.D. Roosevelt Avenue, San Juan, Puerto Rico 00920.

Shareholders will be asked to consider and vote on the following matters:

**Items of
business**

1. The election of two nominees to serve as “Group 3” directors, each for a term of three years;
2. The ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2019;
3. The consideration of an advisory resolution to approve the compensation of our named executive officers; and
4. Any other business that may properly come before the meeting or any adjournment or postponement thereof.

**Record
date**

Shareholders of record of the Company at the close of business on February 25, 2019 are entitled to receive notice of, attend, and vote at the meeting.

**Your vote
is
important**

Please vote as promptly as possible by using the Internet, telephone, or by signing, dating and returning the completed proxy card in accordance with the instructions in the Notice or your proxy card.

Important notice regarding the availability of proxy materials

We are delivering the proxy materials to all our shareholders via the Internet, as permitted by U.S. Securities and Exchange Commission rules. Instead of sending a paper copy of the proxy materials, we are sending to our shareholders of record a Notice of Internet Availability of Proxy Materials (the “Notice”) with instructions on how to access the proxy materials and how to vote via the Internet.

Our proxy statement and the 2018 annual report to shareholders are available at our website <http://www.triplesmanagement.com>. Shareholders may request a printed copy of the proxy materials by following the instructions set forth in the Notice and the proxy statement.

By order of the Board of Directors,

Carlos L. Rodríguez-Ramos
Secretary

San Juan, Puerto Rico
March 15, 2019

TABLE OF CONTENTS

<u>PROXY SUMMARY</u>	1
<u>Information about the meeting of shareholders</u>	1
<u>Voting matters</u>	1
<u>Director nominees</u>	1
<u>Corporate governance highlights</u>	2
<u>Casting your vote</u>	2
<u>Submitting proposals for the 2020 Annual Meeting of shareholders</u>	2
<u>Independent registered public accounting firm</u>	2
<u>Executive compensation components</u>	3
<u>Other components of the compensation program</u>	3
<u>2018 compensation summary</u>	4
<u>Compensation mix</u>	4
<u>PROXY STATEMENT FOR THE 2019 ANNUAL MEETING OF SHAREHOLDERS</u>	5
<u>INFORMATION ABOUT VOTING, SOLICITATION AND THE ANNUAL MEETING</u>	5
<u>PROPOSAL 1 — ELECTION OF DIRECTORS</u>	10
<u>Overview</u>	10
<u>Information about the nominees and directors continuing in office</u>	10
<u>Nominees for election</u>	11
<u>Directors continuing in office</u>	12
<u>PROPOSAL 2 — RATIFICATION OF THE SELECTION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	16
<u>Overview</u>	16
<u>Independent registered public accounting firm fees and other matters</u>	16
<u>Audit Committee’s pre-approval policies and procedures</u>	17
<u>PROPOSAL 3 —AN ADVISORY RESOLUTION TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	18
<u>Overview</u>	18
<u>CORPORATE GOVERNANCE</u>	20
<u>Overview</u>	20
<u>Corporate Governance documents and additional information</u>	21
<u>Code of Business Conduct and Ethics</u>	21
<u>Independence of Directors</u>	21
<u>Board leadership structure</u>	22
<u>Board meetings and committees</u>	22
<u>Director nominations process</u>	26
<u>Criteria</u>	26

<u>Risk oversight</u>	27
<u>Communications from shareholders and other interested parties</u>	27
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	29
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	30

<u>INFORMATION ABOUT EXECUTIVE OFFICERS</u>	31
<u>Executive officers of Triple-S Management Corporation</u>	31
<u>COMPENSATION DISCLOSURE</u>	32
<u>Compensation discussion and analysis</u>	32
<u>Overview</u>	32
<u>Compensation and Talent Development Committee interlocks and insider participation</u>	42
<u>Risk considerations in our executive compensation program</u>	42
<u>Compensation tables</u>	43
<u>CEO pay ratio</u>	51
<u>Director compensation</u>	52
<u>AUDIT COMMITTEE MATTERS</u>	53
<u>Report of the Audit Committee</u>	53
<u>OTHER RELATIONSHIPS, TRANSACTIONS AND EVENTS</u>	54
<u>Transactions with related parties</u>	54
<u>Policies and procedures for related party transactions</u>	54
<u>ANNUAL REPORT</u>	55
<u>INCORPORATION BY REFERENCE</u>	55

1

PROXY SUMMARY

This summary highlights certain information about Triple-S Management Corporation (the “Company,” “we,” “our,” or “us”) and certain information contained elsewhere in this proxy statement for the Company’s 2019 Annual Meeting of shareholders (“the meeting”). This summary does not contain all of the information that you should consider. We encourage you to read the entire proxy statement carefully before voting.

Information about the meeting of shareholders

- Time and date: Friday, April 26, 2019 at 9:00 a.m., local time.
- Location: 1441 F.D. Roosevelt Avenue, San Juan, Puerto Rico 00920.
- Record Date: