

PrimeOrion Philippines, Inc.

18 March 2016

SECURITIES AND EXCHANGE COMMISSION

SEC Bldg., EDSA, Greenhills
Mandaluyong City

Attention : **ATTY. JUSTINA F. CALLANGAN**
Director
Corporate Governance and Finance Department

Re : **Prime Orion Philippines, Inc. (POPI)**
- Updates to the Annual Corporate Governance Report (ACGR)

Gentlemen:

In compliance with *Securities and Exchange Commission Memorandum Circular No. 1, Series of 2014*, please be advised that the following changes have been reflected in POPI's ACGR:

1. In Section A (Board Matters)
 - a. In Item 6 (b), the in-house training and external courses attended by the directors, Messrs. Bernard Vincent O. Dy, Jose Emmanuel H. Jalandoni and Rex Ma. A. Mendoza and Ms. Maria Rowena M. Tomeldan were updated.
 - b. In Item 6 (c), the continuing education programs attended on 8 March 2016 by the directors, namely, Messrs. Dy, Jalandoni and Mendoza, and Ms. Tomeldan were included.
2. In Section I (Disclosure and Transparency)
 - a. In Item 1, Ms. Roann F. Hinolan-Batoon was included in the list of Senior Management.

Attached are the relevant pages of POPI's updated ACGR (The changes have been underscored for easy reference). This advisement letter may also be accessed or viewed at our website: www.primeorion.com.

Very truly yours,


RHODORA ESTRELLA B. REVILLA
Compliance Officer


MA. RHODORA L. POLICARPIO-DELA CUESTA
Assistant Corporate Secretary

[advisement letter- updates to the acgr (18 march 2016)]- popi corp gov-acgr

	propose such removal at the meeting.	
(iii) Independent Directors	In addition to the above, an independent director may be removed if he possesses any of the grounds for disqualification.	The grounds for disqualification are provided in the Manual and the issuances of the SEC and provisions of the Corporation Code.
f. Re-instatement		
(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors	Same as (a) above.	
g. Suspension		
(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors	No definite process for suspension of directors has been set.	No criteria set for suspension of directors.

Voting Result of the last Annual Stockholders' Meeting (ASM)

Name of Director	Votes Received
Felipe U. Yap	1,601,618,444
David C. Go*	1,601,618,444
Yuen Po Seng*	1,601,618,444
Ronald P. Sugapong**	1,601,618,444
Daisy L. Parker**	1,601,618,444
Victor C. Say	1,601,618,444
Ricardo J. Romulo	1,601,618,444

*resigned as director on 26 February 2016

**resigned as director on 24 February 2016

6) *Orientation and Education Program*

(a) *Disclose details of the Company's orientation program for new directors, if any.*

As provided in Section 6.2 of the Manual, a director shall, before assuming such position, be required to attend a seminar on corporate governance which shall be conducted by a duly recognized private or government institute.

(b) *State any in-house training and external courses attended by Directors and Senior Management* for the past three years.*

Director	Date	Forum/Seminar/Course
Felipe U. Yap	10-12 Feb. 2015	Citi Asia Pacific Investor Conference
<u>Bernard Vincent O. Dy</u>	<u>9 December 2015</u>	<u>Corporate Governance</u>
	19 Oct. 2015	Quotes and Soundbites
	<u>18 Feb. 2015</u>	<u>Corporate Governance Summit</u>
	16 Aug. 2013	Design and Build
<u>Jose Emmanuel H. Jalandoni</u>	<u>18 Feb. 2015</u>	<u>Corporate Governance</u>
	19 Oct. 2015	Quotes and Soundbites
	16 Aug. 2013	Design and Build
<u>Maria Rowena M.</u>	<u>9 Dec. 2015</u>	<u>Corporate Governance</u>

<u>Tomeldan</u>	18 June 2013	Si Juan at Maria Ngayon: Understanding the ECO Class C/Upper D Consumers
<u>Rex Ma. A. Mendoza</u>	2015	Corporate Governance Program Ayala Group
	2014	Business Integrity and Leadership
	2013	Corporate Governance, Compliance and Business Ethics
Ricardo J. Romulo	20 May 2015	Earthquake Resilience: Collaboration and Coordination in Preparedness and Response
	26 Mar. 2015	Investing in Judicial Reform
	4 Feb. 2015	Rising Sun: Specific Policy Options for the Philippines and United States
	30 Jan. 2015	Global Challenges and US-Philippines Relations: Views from Washington
	22 Jan. 2015	The Harvard Asia Center and the Harvard University's Growing Engagement in Southeast Asia

*Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Company.

- (c) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Felipe U. Yap	27 October 2015	Corporate Governance	SyCip Gorres Velayo & Co. (SGV)
<u>Bernard Vincent O. Dy</u>	<u>8 March 2016</u>	<u>Corporate Governance</u>	<u>Institute of Corporate Directors (ICD)</u>
<u>Jose Emmanuel H. Jalandoni</u>	<u>8 March 2016</u>	<u>Corporate Governance</u>	<u>ICD</u>
<u>Maria Rowena M. Tomeldan</u>	<u>8 March 2016</u>	<u>Corporate Governance</u>	<u>ICD</u>
Victor C. Say	28 August 2014	Corporate Governance	ROAM
Ricardo J. Romulo	25 November 2015	Corporate Governance	SGV
	8,9,15,16,22 May 2015	Mandatory Continuing Legal Education	UP Law Center Institute for Judicial Administration of Justice
<u>Rex Ma. A. Mendoza</u>	<u>8 March 2016</u>	<u>Corporate Governance</u>	<u>ICD</u>

B. CODE OF BUSINESS CONDUCT & ETHICS

- 1) Discuss briefly the Company's policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	If an actual or	The Corporation's	The Corporation's

(a) Holding 5% shareholding or more* (as of 29 February 2016)

Shareholder	No. of Shares	Percent	Beneficial Owner
PCD Nominee Corp. (Filipino)	1,393,955,044	58.887%	Various Clients
Genez Investments Corp.	250,000,000	10.561%	NA
Lepanto Consolidated Mining Co.	180,000,000	7.604%	NA
F.Yap Securities, Inc.	157,254,100	6.643%	Various Clients

*Based on the report dated 29 February 2016 of Stock and Transfer Agent, BDO Unibank, Inc.-Trust and Investments Group

On 24 February 2016, ALI subscribed to 2.5 billion shares of stock of POPI (equivalent to 51.06% of the equity of the Company). The said shares will come from the increase in authorized capital stock to be filed by Company with the Securities and Exchange Commission.

Name of Senior Management	No. of Direct Shares	No. of Indirect Shares	% of Capital Stock
Jose Emmanuel H. Jalandoni	1	-	-
Ruby P. Chiong	0	-	-
Rhodora Estrella B. Revilla	0	-	-
June Vee D. Monteciaro-Navarro	0	-	-
Nimfa Ambrosia Perez-Paras	0	-	-
Roann F. Hinolan-Batoon	0	-	-

2) Does the Annual Report disclose the following:

Key Risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	The Company's policy on whistle blowing is posted in its website.
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors	Yes
Training and/or continuing education program attended by each director	No. With the ACGR, the Corporate Governance section in the Annual Report was discontinued as per SEC Memorandum Circular No. 5 Series of 2013. The subsequent trainings of directors were not included in the Annual Report but reported in the Consolidated Changes to ACGR.
Number of Board of Directors meetings held during the year	No. The number of Board meetings held in a year and the attendance details of the directors in such meetings are disclosed in the ACGR as the submission of Certification of Attendance of Directors was discontinued as per SEC Memorandum Circular No. 5 Series of 2013. The Compliance Officer submitted the report on the attendance of Directors in Board and Committee meetings for the fiscal year by way of advisement letter to the SEC last 4 July 2014 and disclosed as an update to the ACGR.