



V I T A R I C H

20 January 2016

Atty. Justina Callangan

Director, Corporate Governance and Finance Department
Securities and Exchange Commission
SEC Bldg., EDSA Greenhills, Mandaluyong City

Subject: Updates and Changes on Vitarich Corporation's Annual Corporate Governance Report

Dear Atty. Callangan,

This is to inform your good office that we have already uploaded in our Corporate Governance Website the following updated informations for Vitarich Corporation's 2015 updates and changes for ACGR 2015. A copy of which is here to attached for your reference.

- Board of Directors Attendance
- Shareholding in the Company
- Orientation and Education Program
- Board Meeting Attendance
- Committee Members
- Internal Audit
- Disclosure and Transparency

Very truly yours,

PEDRO T. DABU JR.

Assistant Corporate Secretary
Compliance Officer /Corporate Information Officer

SECURITIES AND EXCHANGE COMMISSION
SEC FORM – ACGR
ANNUAL CORPORATE GOVERNANCE REPORT

GENERAL INSTRUCTIONS

(A) Use of Form ACGR

This SEC Form shall be used to meet the requirements of the Revised Code of Corporate Governance.

(B) Preparation of Report

These general instructions are not to be filed with the report. The instructions to the various captions of the form shall not be omitted from the report as filed. The report shall contain the numbers and captions of all items. If any item is inapplicable or the answer thereto is in the *negative*, an appropriate statement to that effect shall be made. Provide an explanation on why the item does not apply to the company or on how the company's practice differs from the Code.

(C) Signature and Filing of the Report

- A. Three (3) complete sets of the report shall be filed with the Main Office of the Commission.
- B. At least one complete copy of the report filed with the Commission shall be **manually** signed.
- C. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.
- D. This report is required to be filed annually together with the company's annual report.

(D) Filing an Amendment

Any material change in the facts set forth in the report occurring within the year shall be reported through SEC Form 17-C. The cover page for the SEC Form 17-C shall indicate "**Amendment to the ACGR**".

SECURITIES AND EXCHANGE COMMISSION
SEC FORM – ACGR
ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is filed for the Year **December 31, 2015¹**
2. Exact Name of Registrant as Specified in its Charter VITARICH CORPORATION
3. MARILAO-SAN JOSE ROAD, STA. ROSA I, MARILAO BULACAN **3019**
Address of Principal Office Postal Code
4. SEC Identification Number 21134 5. (SEC Use Only)
Industry Classification Code
6. BIR Tax Identification Number 000-234-398-000
7. **(632) 843-30-33 connecting all departments**
Issuer's Telephone number, including area code
8. N/A
Former name or former address, if changed from the last report

¹ With updates for the year ended December 31, 2015

BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	11
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Actual number of Directors for the year	10
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(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) ²	Elected when (Annual /Special Meeting)	No. of years served as director
Jose Vicente C. Bengzon, III	ED	NA	Atty. Pedro T. Dabu, Jr.	2007	June 26, 2015	Annual Meeting	9 yrs.
Rogelio M. Sarmiento	ED	NA	Atty. Pedro T. Dabu, Jr.	1980	June 26, 2015	Annual Meeting	36 yrs.
Benjamin I. Sarmiento, Jr.	NED	NA	Atty. Pedro T. Dabu, Jr.	1998	June 26, 2015	Annual Meeting	18 yrs.
Levi F. Diestro	NED	NA	Atty. Pedro T. Dabu, Jr.	2014	June 26, 2015	Annual Meeting	1 yr
Stephanie Nicole S. Garcia	ED	NA	Atty. Pedro T. Dabu, Jr.	2012	June 26, 2015	Annual Meeting	4 yrs.
Manuel D. Escueta	ID	NA	Atty. Pedro T. Dabu, Jr.	2014	June 26, 2015	Board Meeting	2 yrs.
Ricardo Manuel M. Sarmiento	ED	NA	Atty. Pedro T. Dabu, Jr.	2012	June 26, 2015	Annual Meeting	4 yrs.
Lorenzo Vito M. Sarmiento, III	NED	NA	Atty. Pedro T. Dabu, Jr.	2012	June 26, 2015	Annual Meeting	4 yrs.
Eduardo T. Rondain	ID	NA	Atty. Pedro T. Dabu, Jr.	2012	June 26, 2015	Annual Meeting	4 yrs.
Juan Arturo Iluminado C. de Castro	NED	NA	Atty. Pedro T. Dabu, Jr.	2014	June 26, 2015	Board Meeting	2 yrs.
*Angelito M. Sarmiento	NED	NA	Atty. Pedro T. Dabu, Jr.	2009	June 26, 2015	Annual Meeting	6 yrs.

- Demise of Director Angelito M. Sarmiento last October 1, 2015.

(b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

The Company's corporate governance policies and practices are based on its Manual of Corporate Governance adopted and approved on August 29, 2002. The Board of Directors and Management, employees and shareholders believe that corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness within the organization as soon as possible. The Board, in complying with the principles of corporate governance, shall be assisted by the 2 Board Committees, apart from the Executive Committee. Each of the Audit Committee and Compensation & Nominations Committee has their specific functions as provided in the CG Manual. Details of said policies and principles are stated under Article 2.2.2. – Board Committees.

² Reckoned from the election immediately following January 5, 2015

Non-Executive Director	
CEO	

(c) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company:

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Jose Vicente C. Bengzon III	10,000	0	0.00%
Rogelio M. Sarmiento	77,913,565	92,510	2.80%
Benjamin I. Sarmiento Jr.	199	0	0.00%
Ricardo Manuel M. Sarmiento	60,000,500	490	2.15%
Stephanie Nicole S. Garcia	500	3,859	0.00%
Lorenzo Vito M. Sarmiento III	500	0	0.00%
Levi F. Diestro	300	0	0.00%
Eduardo T. Rondain	500	0	0.00%
Manuel D. Escueta	1	0	0.00%
Juan Arturo Iluminado C. de Castro	2,777,034	0	0.1%
TOTAL	140,703,099	96,859	5.05%

Orientation and Education Program

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Atty. Pedro T. Dabu, Jr.	April 23, 2015	Workshop on the ASEAN Corporate Governance Scorecard	Securities and Exchange Commission
Stephanie Nicole S. Garcia	June 30, 2015	Leading and Motivating the Multiple Generation in the Workplace	Philippine Trade Training Center

B. BOARD MEETINGS & ATTENDANCE

- Are Board of Directors' meetings scheduled before or at the beginning of the year? **Fixed in the by-laws, every month.**
- Attendance of Directors **(from January to December 2015)**

Board	Name	Date of Election	No. of Meetings Held during the year (regular)	No. of Meetings Attended	%
Chairman	Jose Vicente C. Bengzon	June 26, 2015	12	11	92%
Member	Rogelio M. Sarmiento	June 26, 2015	12	11	92%
Member	Angelito M. Sarmiento	June 26, 2015	9	5	56%
Member	Benjamin I. Sarmiento Jr.	June 26, 2015	12	12	100%
Member	Ricardo Manuel M. Sarmiento	June 26, 2015	12	11	92%
Member	Stephanie Nicole S. Garcia	June 26, 2015	12	12	100%
Member	Lorenzo Vito M. Sarmiento III	June 26, 2015	12	12	100%

Independent	Atty. Eduardo T. Rondain	June 26, 2015	12	9	75%
Independent	Manuel D. Escueta	June 26, 2015	12	10	83%
Member	Levi F Diestro	June 26, 2015	12	6	50%
Member	Atty. Juan Arturo Iluminado C. de Castro	June 26, 2015	12	9	75%

N.B. Director Angelito M. Sarmiento died last October 1, 2015.

1) Committee Members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman						None
Member (ED)						
Member (NED)						
Member (ID)						
Member						

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Eduardo T. Rondain	June 26, 2015	4	4	100%	12 mos.
Vice Chairman (ED)	Manuel D. Escueta	June 26, 2015	4	4	100%	12 mos.
Member (ED)	Jose Vicente C. Bengzon, III	June 26, 2015	4	4	100%	12 mos.
Member (NED)	Benjamin I. Sarmiento Jr.	June 26, 2015	4	4	100%	12 mos.
Member (NED)	Ricardo Manuel M. Sarmiento	June 26, 2015	4	4	100%	12 mos.
Member (NED)	Lorenzo Vito M. Sarmiento III	June 26, 2015	4	4	100%	12 mos.

Disclose the profile or qualifications of the Audit Committee members.

**Atty. Eduardo T. Rondain, Filipino, 85 years old
Independent Director (since 2012)**

Chairman – Audit Committee

Atty. Rondain is a lawyer by profession, an expert in labor relations and human resource management. Atty. Rondain's past and present involvement includes the following: Vice Chairman of the Board and Chairman, Management Committee of CORD Chemicals, Inc.; Senior Adviser and Director, Employers Confederation of the Philippines (ECOP); Member and Director, ECOP Institute of Productivity and Competitiveness; Executive Vice President, Member of the Board of Directors and Management Committee, PHILIPS Corporation of Companies; Director for Industrial Relations, Radio Electronics Headquarters; part-time faculty member, College of Business Administration, Solair, UP Manila; Full Professor, UP College of Business Administration MBA Program; teaching staff, Ateneo Business School, MBM, and seminar resource person, Economic Development Foundation, Personnel Management Association, De La Salle University and Jose Rizal College; Director, Non-Academic Personnel Services, UP Administration; Research-Instructor, then Assistant Professor, UP School of Labor and Industrial Relations; and Legal

Assistant, Severino Law Office, Escolta, Manila. A graduate of Bachelor of Laws at the UP College of Law in 1955, he undertook graduate study in Labor and Industrial Relations at the University of Illinois in 1959 as a UP Fellow. He was elected as director of the Corporation on June 29, 2012.

Ricardo Manuel M. Sarmiento, Filipino, 38 years old

Director (since 2012)/ Chief Operating Officer / Executive Vice President

Member – Audit Committee; Compensation & Nomination Committee, and Risk and Governance Committee

Mr. Ricardo Manuel Sarmiento is the Executive Vice-President and Chief Operating Officer and President of Gromax, Inc. He leads the over-all operations of Vitarich Corporation and Gromax, Inc. He holds a degree in Bachelor of Science in Tourism from the University of the Philippines in Diliman, Quezon City. He is a member of the Upsilon Sigma Phi. Mr. Sarmiento joined Vitarich in July 2005. He was elected as director of the Corporation on June 29, 2012.

Jose Vicente C. Bengzon III, Filipino, 57 years old

Director (since 2007) / Chairman of the Board

Member - Audit Committee; Risk and Governance Committee

Mr Bengzon is the Vice Chairman & Chairman of Executive Committee, Commtrend Construction Corp since Oct 2014; President, UPCC Holdings Corp since 2006 & Director & Chairman of Risk Management Committee, Rizal Microbank since 2010. He was acting Chairman, Philippine National Construction Corp. 2012 - 2013; Director, Manila North Tollways Corp. 2012 - 2013; Director, Citra Metro Manila Tollways Corp. 2012 - 2013; Director, South Luzon Tollways Corp. 2011 - 2012. Prior to this, he is a Director of Pres. Jose P. Laurel Rural Bank Inc. since 2010 and Philippine National Construction Corporation since 2011. He is also the President of UPCC Holdings Corporation since 2006. Prior to this, he was the Chief Privatization Officer of the Department of Finance. He was the President of Abarti Artworks Corporation from 2001-2004. He was also an Entrepreneur of Westborough Food Corporation from 1993-2001. He is a Certified Public Accountant and a graduate of De La Salle University having obtained his Bachelor of Science in Commerce and Bachelor of Arts degrees major in Economics in 1980 therefrom. He took his Master of Business Administration at the Kellogg School of Management at Northwestern University in 1988.

Benjamin I. Sarmiento Jr., Filipino, 46 years old

Director (since 1998)

Member – Audit Committee and Compensation & Nomination Committee

Mr. Benjamin Sarmiento is a graduate of the University of San Francisco with a degree of Bachelor of Arts in Economics. He is the Chief Executive Officer of Pacific Equity, Inc. from 1989 up to the present. He is also a Director of the following companies: M3 Ventures, International Inc. from 1991 up to the present, and Ultra-Seer, Inc., Hills Dales Marketing Inc., Specialized Products & Services, Inc., Escotek, Inc. and Diversified Industrial Technology, Inc. from 2002 up to the present. He is the Chief Executive Officer of Trabbycoco Genetics, Inc. He is also a director of Gromax, Inc. from 1995 up to the *present*.

Manuel D. Escueta, Filipino, 64 years old

Independent Director

Chairman – Compensation & Nomination Committee and Risk & Governance Committee

Mr. Escueta was elected as an Independent Director of the Corporation on January 24, 2014. He worked as General Advertising Manager of P&G Asia (1973-2000), Vice President for Corporate Marketing & Communication of United Laboratories, Inc. (2001-2004), Head, President and CEO of Pascual Laboratories, Inc. - Consumer Health Division (2005-2012), and Chairman of Pascual Consumer HealthCare Corp (2012-2013). He is at present the President of Educhild Foundation, Inc. and the Vice-Chairman of the Board of Trustees of Southridge PAREF School for Boys. He also served as a Board of Director of the Advertising Board of the Philippines (1980-1985, 1992-1995). He is a graduate of University of the Philippines in Diliman, Quezon City with a degree on Business Administration Major in Marketing in 1972.

Lorenzo Vito M. Sarmiento III, Filipino 40 years old

Director (since 2012)

Member – Compensation & Nomination Committee

Mr. Sarmiento is President of Davito Holdings Corporation and Medityre Corporation. He was President of Speed Space Systems, Chairman of Emphasys Process Corporation, Investor and co-founder of South Super Sports, Team Manager under contract with the Philippine Football Federation, Creative Director of Speed HKG, and Investor and co-founder of True Star Entertainment. He graduated in 1999 from the University of San Francisco, San Francisco CA USA, with a degree in Bachelor of Science in Business Administration with emphasis in Marketing and International Business. He took up special courses in International Studies at the American University in London, England and Network Engineering at Herald College, San Francisco CA USA. He was elected as director of the Corporation on June

29, 2012.

Describe the Audit Committee's responsibility relative to the external auditor.

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors.
- Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the company, including non-audit services.
- On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Review the findings of any examinations by regulatory agencies, and by any auditor observations.
- Review the process of communicating the Company Rules and Regulations to the company personnel, and monitors compliance therewith.
- Obtain regular updates from management and company legal counsel regarding compliance matters.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Manuel D. Escueta	June 26, 2015	1	1	100%	6 mos.
Member (ED)	Stephanie Nicole S. Garcia	June 26, 2015	1	1	100%	6 mos.
Member (ED)	Ricardo Manuel M. Sarmiento	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Lorenzo Vito M. Sarmiento, III	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Benjamin I. Sarmiento	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Levi F. Diestro	June 26, 2015	1	1	100%	6 mos.
Member	Ruby P. Macario (non-voting member)	June 26, 2015	1	1	100%	6 mos.

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Manuel D. Escueta	June 26, 2015	1	1	100%	6 mos.

Member (ED)	Stephanie Nicole S. Garcia	June 26, 2015	1	1	100%	6 mos.
Member (ED)	Ricardo Manuel M. Sarmiento	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Lorenzo Vito M. Sarmiento, III	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Benjamin I. Sarmiento	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Levi F. Diestro	June 26, 2015	1	1	100%	6 mos.
Member	Ruby P. Macario (non-voting member)	June 26, 2015	1	1	100%	6 mos.

(e) Others (Specify)

Provide the same information on all other committees constituted by the Board of Directors:

(f) Risk and Governance Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Manuel D. Escueta	June 26, 2015	1	1	100%	6 mos.
Member (ED)	Ricardo Manuel M. Sarmiento	June 26, 2015	1	1	100%	6 mos.
Member (ED)	Stephanie Nicole S. Garcia	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Jose Vicente C. Bengzon III	June 26, 2015	1	1	100%	6 mos.
Member (NED)	Levi F. Diestro	June 26, 2015	1	1	100%	6 mos.
Member	Peter Sereno	June 26, 2015	1	1	100%	6 mos.

2) Changes in Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the changes:

Name of Committee	Name	Reason
Executive	None	None
Audit	Manuel D. Escueta	Appointment

3) Work Done and Issues Addressed

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done	Issues Addressed
Executive	None	

Audit	The Audit Committee approved the Audited 2015 Financial statements of the Corporation.	There were no significant issues in 2015 which were required to be addressed by the Audit Committee.
Nomination	The Nomination Committee pre-screened and shortlist the nominations for independent directors and committee members.	There were no significant issues in 2015 which were required to be addressed by the Nomination Committee.
Remuneration	The Remuneration Committee reviewed and discussed the compensation of management officers.	There were no significant issues in 2015 which were required to be addressed by the Remuneration Committee.
Others (specify) Risk and Governance	The risk and Governance Committee identified and monitored risks associated with all the business of the Corporation.	There were no significant issues in 2015 which were required to be addressed by the Risk and Governance Committee.

Internal Audit

(a) Role, Scope and Internal Audit Function

Give a general description of the role, scope of internal audit work and other details of the internal audit function.

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
General Audit	Ensure compliance with regulatory requirements and the Company's policies and procedures. Measure adequacy and effectiveness of internal financial and operational controls including IT system controls. Manage the recording, control and use of Company assets. Monitors the efficiency, effectiveness, and ethical conduct of the Company's business systems and processes	In house	Rosario M. Almario & Gianni Carlo Gandia	Reported to Audit Committee
Advisory services	Assisting management and the Risk Management Committee to identify risks and develop risk mitigation and monitoring strategies as part of the risk management framework and monitoring and reporting on the implementation of risk mitigation strategies. Assisting management to identify the risks of fraud and develop fraud prevention and monitoring strategies.	In House	Rosario M. Almario & Gianni Carlo Gandia	Reported to Audit Committee
Audit Support Activities	Assisting the Audit Committee to discharge its responsibilities. Providing secretarial support to the Audit Committee. Monitoring the implementation of agreed recommendations arising from the internal and external audit reports. Disseminating across the Company better practice and lessons learned arising from its audit activities.	In house	Rosario M. Almario & Gianni Carlo Gandia	Reported to Audit Committee

C. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more (As of December 31, 2015)

Title Of Class	Name, Address Of Record Owner & Relationship With Issuer	Name Of Beneficial Owner & Relationship W/ Record Owner	Citizenship	No. Of Shares	Percent Of Class
Common Shares	PCD NOMINEE CORPORATION (Filipino) 37/F The Enterprise Center, Ayala Avenue Corner Makati Avenue, Makati City Beneficial owner of more than 5% of the outstanding shares.	Various beneficial owners ³	Filipino	2,457,750,991	88.20%
	KORMASINC, INC. 7 th Floor, LTA Bldg., 118 Perea St., Legazpi Village, Makati City	Various beneficial owners	Filipino Corporation	1,941,339,491	69.67%
Common Shares	PCD NOMINEE CORPORATION (Non-Filipino) G/F Makati Stock Exchange Building, 6767 Ayala Avenue, Makati City Beneficial owner of more than 5% of the outstanding shares.	Various beneficial owners	Non-Filipino	289,127,072	10.38 %
	DRAGONAGA CAPITAL LIMITED Flat 1301, 3/F Kai Yue Commercial Bldg., No. 2 Argyle St., Mongkok, Kowloon, Hong Kong	Various beneficial owners	Hong Kong	259,219,698	9.30%

Note 1. PCD Nominee Corporation, a wholly owned subsidiary of the Philippine Central Depository, Inc. (“PCD”), is the registered owner of the shares in the books of the Corporation’s stock and transfer agent in the Philippines. The beneficial owners of such shares are PCD’s participants, who hold the shares in their behalf or in behalf of their clients. PCD is a private company organized by the major institutions actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.

³ PCD Nominee Corporation, a wholly owned subsidiary of the Philippine Central Depository, Inc. (“PCD”), is the registered owner of the shares in the books of the Corporation’s stock and transfer agent in the Philippines. The beneficial owners of such shares are PCD’s participants, who hold the shares in their behalf or in behalf of their clients. PCD is a private company organized by the major institutions actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.