

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF
PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

Held at the Tower Ballroom, The Bellevue Manila,
North Bridgeway, Filinvest Corporate City,
Alabang, Muntinlupa City
On 15 December 2010, Wednesday, at 10:00 a.m.
(Stockholders' Meeting No. 2010/2011-001)

<u>Stockholders Present</u>	<u>In Person/By Proxy</u>	<u>No. of Shares</u>
Lotte Chilsung Beverage Co., Ltd.	Yeon-Suk No (By Proxy)	1,270,657,644
Quaker Global Investments B.V.	Partha Chakrabarti (By Proxy)	1,089,101,358
Pepsi-Cola Far East Trade Dev. Co. Inc.	Partha Chakrabarti (By Proxy)	100
Orion Land Inc.	Partha Chakrabarti (By Proxy)	60,000,000
Partha Chakrabarti	In Person	1
Yeon-Suk No	In Person	1
Rafael M. Alunan III	In Person	1
Hwang Chung	Yeon-Suk No (By Proxy)	1
Inho Kim	Yeon-Suk No (By Proxy)	1
Nam Kuen Lee	Yeon-Suk No (By Proxy)	1
Qasim Khan	Partha Chakrabarti (By Proxy)	1
Umran Beba	Partha Chakrabarti (By Proxy)	1
John L. Sigalos	Partha Chakrabarti (By Proxy)	1
Others		115,526,388

	Total shares present In Person/By Proxy	2,535,285,499

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Total shares issued, outstanding and entitled to vote	3,693,772,279
Percentage of shares present In Person/By Proxy	68.64%

1. **CALL TO ORDER**

In the absence of the Chairman of the Board, the President-Chief Executive Officer, Mr. Partha Chakrabarti, called the meeting to order and presided over it.

The Corporate Secretary, Atty. Ma. Rosario C.Z. Nava, recorded the minutes of the meeting.

2. **CERTIFICATION OF NOTICE AND OF QUORUM**

Atty. Nava certified that notices were sent to all the stockholders of the Corporation and that stockholders owning or holding 68.64% of the total outstanding capital stock entitled to vote were present, either in person or by proxy. Thus, there was a quorum for the valid transaction of business.

3. **APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL STOCKHOLDERS' MEETING HELD ON 21 OCTOBER 2009**

There was a motion made to approve the minutes of the previous Annual Stockholders' Meeting of the Corporation held on 21 October 2009.

The motion was duly seconded, and there being no objection, the minutes of the previous Annual Stockholders' Meeting of the Corporation held on 21 October 2009 was unanimously passed and approved.

Stockholders' Resolution No. 2010/2011-001

RESOLVED, that the minutes of the Annual Stockholders' Meeting of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** held on 21 October 2009, be, as it is hereby, approved.

4. **PRESIDENT'S REPORT FOR FISCAL YEAR ENDING 30 JUNE 2010**

The President-Chief Executive Officer, Mr. Chakrabarti, then addressed the stockholders explaining the significance of this year's ASM which marks the entry of a new major shareholder in PCPPI, Lotte Chilsung Beverage Co. Ltd. While acknowledging the accomplishments of a long and fruitful Guoco-PepsiCo collaboration, he expressed

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confidence that the new Lotte-PepsiCo partnership shall continue to build on the strong foundation that has been laid down and bring PCPPI to the next level of success. He renewed the Management team's firm commitment to the various stakeholders of the Corporation to continue working towards a stronger and more robust PCPPI.

He then referred the stockholders to the highlights of the results of operations of the Corporation for fiscal year 2009 to 2010 and the Corporation's future plans and initiatives as set forth in the Annual Report earlier distributed to the stockholders.

5. **APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR
ENDING 30 JUNE 2010**

The President-Chief Executive Officer presented for the approval of the stockholders the Corporation's audited financial statements for the fiscal year ending 30 June 2010, copies of which had been previously sent to the stockholders.

A motion was made for its approval, which was duly seconded, and there being no objection, the stockholders approved the audited financial statements of the Corporation for the fiscal year ending 30 June 2010.

Stockholders' Resolution No. 2010/2011-002

RESOLVED, that the audited financial statements of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** for the fiscal year ending 30 June 2010, be, as it is hereby, approved.

6. **RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND
MANAGEMENT FOR THE PERIOD 1 JULY 2009 TO 30 JUNE 2010**

The President-Chief Executive Officer then discussed with the stockholders the need to ratify the resolutions and other acts of the Board of Directors and the Management of the Corporation during the preceding year, as well as the contracts and transactions entered into by the Corporation for the same period.

There was a motion for its ratification which was duly seconded, and there being no objection, the stockholders unanimously approved the following resolution:

Stockholders' Resolution No. 2010/2011-003

RESOLVED, that all resolutions and other acts of the Board of Directors and the Management of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** for the period 1 July 2009 to 30 June 2010, as well as all contracts and transactions entered into by the

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Corporation for the same period, be, as they are hereby, approved,
confirmed and ratified.

7. ELECTION OF DIRECTORS

The President-Chief Executive Officer then proceeded to take up the next item in the Agenda which is the election of the members of the Board of Directors to serve for the fiscal year 2010 to 2011.

The President-Chief Executive Officer informed the body that earlier, stockholders have cast their ballots in relation to the election of nominees to the Board of Directors as stated in the Final List of Candidates approved by the Nomination Committee of the Corporation and advised to the stockholders. In accordance with the Articles of Incorporation of the Corporation, the Corporation shall be electing ten (10) directors.

The President-Chief Executive Officer then called on the representative of KPMG Manabat Sanagustin & Co., CPAs, the Corporation's external auditor, to announce and certify the results of the election.

The representative of KPMG Manabat Sanagustin & Co., CPAs, Ms. Emerald Anne Bagnes, announced and certified that based on the votes cast by the stockholders, the following individuals, having obtained a majority of the votes cast, have been elected as directors for fiscal year 2010 to 2011:

HWANG CHUNG
PARTHA CHAKRABARTI
INHO KIM
NAM KUEN LEE
JOHN L. SIGALOS
UMRAN BEBA
QASIM KHAN
YEON-SUK NO
RAFAEL M. ALUNAN (Independent Director)
OSCAR S. REYES (Independent Director)

The President-Chief Executive Officer congratulated the newly-elected directors of the Corporation.

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8. **RATIFICATION OF VARIOUS BOARD-APPROVED AMENDMENTS TO THE
AMENDED ARTICLES OF INCORPORATION AND AMENDED BY-LAWS OF
THE CORPORATION**

The President-Chief Executive Officer then proceeded to take up the next item in the Agenda which is the ratification of various Board-approved amendments to the Amended Articles of Incorporation and Amended By-Laws of the Corporation, which have been previously advised to the stockholders via the SEC Form 20-IS (Definitive Information Statement).

The President-Chief Executive Officer informed the body that earlier, stockholders have cast their ballots in relation to the proposed ratification of these amendments to the Corporation's Amended Articles of Incorporation and Amended By-Laws, all of which had been previously approved by its Board of Directors.

He explained that in accordance with law, the approval of stockholders of the Corporation owning or holding two-thirds (2/3) or 66.67% of the total issued and outstanding capital stock of the Corporation is required to ratify these amendments.

The President-Chief Executive Officer then called on the representative of KPMG Manabat Sanagustin & Co., CPAs, the Corporation's external auditor, to announce and certify the results of the voting.

The representative of KPMG Manabat Sanagustin & Co., CPAs, Ms. Emerald Anne Bagnes, announced and certified that based on the votes cast by the stockholders, the required 2/3 vote of stockholders has been obtained for all the proposed amendments, which have been duly ratified and approved by the stockholders. Thus, the following resolutions embodying the proposed amendments were approved by the stockholders:

Stockholders' Resolution No. 2010/2011-004

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") hereby authorize and approve the amendments to the Corporation's Articles of Incorporation, including all necessary and incidental changes such as capitalization, formatting and numbering changes, and specifically on the following amendments:

RESOLVED, that the primary purpose of the Corporation be amended to include "confectionery," and the Second Article be amended to read as follows:

"SECOND. That the purposes for which the said Corporation is formed are:

PRIMARY PURPOSE

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To engage in, operate, conduct and maintain the business of manufacturing, importing, buying, selling, handling, distributing, trading or otherwise dealing in, at wholesale and (to the extent allowed by law) retail, confectionery, drinks and other beverages in bottles, cans and other containers or dispensers and other related goods of whatever nature, and any and all materials, supplies and other goods used or employed in or related to the manufacture of such finished products."

RESOLVED, that the number of directors be reduced from ten (10) to nine (9), and the Sixth Article be amended to read as follows:

"SIXTH. That the number of directors of said Corporation shall be nine (9) and that the names, nationalities and residences of the directors who are to serve until their successors are elected and qualified as provided by the By-Laws are as follows:

x x x."

RESOLVED, that certain provisions of the Twelfth Article be amended to read as follows:

"(b) Each of the directors and members of the Executive, Audit, Nomination, Compensation and Remuneration, and other committees, including *ex-officio* directors and members, shall receive written notice (whether by personal service, Δ facsimile or electronic mail) of all meetings of the Board of Directors and/or any committee at least seven (7) days prior to the date of any such meeting. All proceedings had and business transacted at any meeting without such notice shall be null and void *ab initio* unless all the members of the Board or committee, as the case may be, waive such notice."

"(c) For as long as the Exclusive Bottling Appointments granted by PepsiCo, Inc. ("PepsiCo") or its affiliates to the Corporation authorizing the Corporation under the terms and conditions specified therein to produce beverages known as and sold under the trademarks PEPSI, DIET PEPSI, PEPSI LIGHT, PEPSI MAX, MIRINDA, MOUNTAIN DEW, DIET 7UP, 7UP, GATORADE, PROPEL, TROPICANA and STING, or its replacement or supplemental agreements (collectively, the "Appointments"), provide for and remain effective, PepsiCo retains, among other rights, the right to cancel and terminate the Appointments [except if PepsiCo is a party to or the cause of such event(s)] upon any sale, transfer, change of ownership, or other disposition (including, but not limited to, merger, consolidation, or dissolution), whether voluntary or involuntary or by operation of law or otherwise, without the prior written consent of PepsiCo which in its absolute and unqualified discretion may be withheld, of the stock, shares of interest, or other

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evidence of ownership of the Corporation, in a single transaction or a series of related transactions:

x x x."

"(e) For as long as the Appointments remain effective, at any board of directors meeting of the Corporation, the affirmative vote of three-fourths or 75% of the directors Δ shall be required for the validity of any of the following acts:

x x x

'(2) Disposal of any assets of the Corporation which have a value in excess of 10% of the net book value of all the assets of the Corporation unless provided for in the relevant Annual Operating Plan;'

x x x

'(9) Declaration or payment of dividends other than in accordance with the policy that Δ the Corporation may declare and pay dividends up to 50% (or such other percentage as may be reset by the Board) of its net profits (after allowing for provisions and other requirements of the Annual Operating Plan) on condition that it complies with the applicable Operating Targets as set out in the then current Annual Operating Plan;'

'(10) Recruitment, hiring, or otherwise changing terms of employment (including compensation, severance, or termination) for the six (6) highest-paid executives, officers and/or directors of the Corporation other than such terms as Δ recommended by the Compensation and Remuneration Committee of the Corporation;'

x x x."

1. **By-Laws**

Stockholders' Resolution No. 2010/2011-005

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") hereby authorize and approve the amendments to the Corporation's By-Laws, including all necessary and incidental changes such as capitalization, formatting and numbering changes, and specifically on the following amendments:

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RESOLVED, that Section 1 of Article I be made to clarify that it is the President that signs the stock certificates, and that it be amended to read as follows:

"SECTION 1. Certificates of stock shall be issued in numerical order from the stock certificate book, signed by the President and countersigned by the Secretary, and sealed with the seal of the Corporation. A record of each certificate shall be kept on the stub thereof."

RESOLVED, that certain provisions of Article II be amended to read as follows:

"SECTION 1. The annual meeting of Stockholders shall be held in Metro Manila △ on the last Friday of May of each year △ (which shall not be a legal holiday) or, if it be a legal holiday, on the business day immediately preceding it △."

"SECTION 2. Special meetings of the Stockholders may be called at the office of the Corporation by resolution of the Board of Directors, upon request of the Stockholders holding one-third or more of the fully paid-up capital stock, or by the President."

"SECTION 3. Subject to the rule on proxies and information statements under pertinent laws and rules, notices of every annual or special meeting of Stockholders shall be mailed to the last known post office address of each Stockholder not less than ten (10) days prior to any such meeting, and in case of a special meeting such notice shall state the object or objects of the meeting. Notices of special meetings shall be sent by the person or persons issuing the call."

"SECTION 4. The election of Directors of the Corporation shall be held at the annual meeting of the Stockholders each year. △ No delinquent stock shall be voted."

x x x

"SECTION 6. The order of business at regular meetings of the Stockholders, and as far as possible at all other meetings, shall be:

1. Call to Order;
2. Certification of Notice and of Quorum;
3. Approval of minutes of the previous meeting;
4. Report of the Chief Executive Officer;
5. Presentation of the Audited Financial Statements;

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6. Ratification of Acts of the Board of Directors and Management for the previous year;
7. Election of Directors;
8. Appointment of Auditors;
9. Other Matters;
10. Adjournment."

x x x

"SECTION 8. For as long as the Exclusive Bottling Appointments granted by PepsiCo, Inc. ("PepsiCo") or its affiliates to the Corporation authorizing the Corporation under the terms and conditions specified therein to produce beverages known as and sold under the trademarks PEPSI, DIET PEPSI, PEPSI LIGHT, PEPSI MAX, MIRINDA, MOUNTAIN DEW, DIET 7UP, 7UP, GATORADE, PROPEL, TROPICANA and STING, or its replacement or supplemental agreements (collectively, the "Appointments"), provide for and remain effective, PepsiCo retains, among other rights, the right to cancel and terminate the Appointments [except if PepsiCo is a party to or the cause of such event(s)] upon any sale, transfer, change of ownership or other disposition (including, but not limited to, merger, consolidation or dissolution), whether voluntary or involuntary or by operation of law or otherwise, without the prior written consent of PepsiCo which in its absolute and unqualified discretion may be withheld, of the stock, shares of interest or other evidence of ownership of the Corporation, in a single transaction or a series of related transactions:

x x x."

RESOLVED, that certain provisions of Article III be amended to read as follows:

"SECTION 1. The business of the Corporation shall be conducted and all its property controlled and held by a Board of Directors the members of which shall be elected from among the Stockholders at the annual meeting, and who shall hold office for one year, and until their successors are duly elected and qualified. All Directors shall at all times possess all the qualifications and none of the disqualifications provided for in the Articles of Incorporation, these By-Laws, the Manual of Corporate Governance, applicable laws, regulations, and resolutions and rules passed or adopted by the Nomination Committee. The Board of Directors shall be responsible for setting the overall strategic direction of the Corporation. It shall agree upon the long-term plans, capitalization and significant investments of the Corporation, set the key strategic milestones, plans and policies for execution by the Chief Executive Officer and the senior management team, and approve the Annual Operating Plan."

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“SECTION 2. Regular meetings of the Board of Directors may be held at such times and at such places, either within or without the Philippines, as the Board of Directors may from time to time Δ determine.”

“SECTION 3. Special Meetings of the Board of Directors may be called at any time by the President or by any three members of the board and may be held at any place, either within or without the Philippines.”

“SECTION 4. Notices of regular and special meetings of the Board of Directors shall be given to each Director by personal delivery, Δ facsimile or electronic mail not less than seven(7) days before any such meeting, and notices of special meetings shall state the purpose or purposes thereof. Notices of regular and special Board meetings shall be sent by the Secretary or Assistant Secretary Δ . All proceedings had and business transacted without such notice shall be null and void *ab initio* unless all Directors waive such notice.”

“SECTION 5. A quorum at any meeting of the Board of Directors shall consist of a majority of the entire membership of the Board and a majority of those present shall be necessary to decide any matter that may come before a meeting, except for the election of officers which shall require the vote of a majority of all the members of the Board, or as otherwise provided for in the Articles of Incorporation, these By-Laws, or by law.”

x x x

“SECTION 9. The order of business at regular meetings of the Board of Directors, and as far as possible at all other meetings, shall be:

1. Call to Order;
2. Certification of Notice and of Quorum;
3. Approval of minutes of previous Board meetings;
4. Ratification of minutes of previous committee meetings;
5. Matters for the Board's Consideration and Approval;
6. Matters for the Board's Information;
7. Other Matters;
8. Adjournment.”

“SECTION 10. The Board of Directors shall create and appoint the following committees: an Executive Committee, an Audit Committee, a Nomination Committee, a Compensation and Remuneration Committee, and may create such other committees as it may deem necessary or convenient. The Executive Committee, the Audit Committee, the Nomination Committee, and the Compensation and Remuneration Committee shall resolve all matters brought before it (including the election of their respective Chairmen) by the unanimous vote of its Director-members. If unanimity cannot be achieved at the committee level, the unresolved issue or matter for decision by the committee shall be elevated

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to the Board for consideration and approval which shall decide the same by majority vote, unless it is one of those corporate acts requiring the vote of three-fourths or 75% of the members of the Board."

"**10.1** The Executive Committee shall be composed of seven (7) members, namely, the Chief Executive Officer, the Chief Strategy Officer, the Chief Operating Officer, the Chief Financial Officer, and three (3) regular Directors. For as long as the Appointments remain effective, then PepsiCo shall be entitled to nominate at least one member of the Executive Committee. The Executive Committee shall meet regularly and shall review the detailed financial and operating performance of the Corporation and. It shall review progress against the relevant Annual Operating Plan and Operating Targets, monitor the Corporation's progress against key initiatives, pricing strategies and plans, sales and marketing plans, capital expenditure planning and key decisions on organization structure and people. It shall work with the Chief Executive Officer in identifying issues affecting the business of the Corporation, and shall provide guidance to the Chief Executive Officer. It shall work with the Chief Executive Officer and his senior management team to formulate and develop the Annual Operating Plan prior to review by the Board of Directors. The Executive Committee shall have and exercise all the powers of the Board of Directors during the intervals between Board meetings except for: (1) approval of any action for which Stockholders' approval is also required; (2) the filling of vacancies in the Board; (3) the amendment or repeal of these By-Laws or the adoption of new by-laws; (4) the amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable; (5) a distribution of dividends to the Stockholders; and (6) such other matters as may be specifically excluded or limited by the Board or by the Corporation Code. The Executive Committee shall keep minutes of each of its meetings, which shall be presented at the next succeeding meeting of the Board of Directors for ratification."

"**10.2** The Audit Committee shall be composed of four (4) members of the Board, with at least two members being independent directors. Each member shall preferably have accounting and finance/audit backgrounds and shall have adequate understanding of the Corporation's financial management systems and environment. The Chairman of the Audit Committee shall be an independent director. The Audit Committee shall meet at least once every three months, and shall (a) assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations; (b) check all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements; (c) perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management; (d) pre-approve all audit plans, scope and frequency before the conduct of external audit; (e) perform direct interface functions with the internal and external auditors; (f) endeavour to elevate to international standards the accounting and auditing processes, practices and methodologies in accordance with applicable

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laws and regulations; (g) develop a transparent financial management system that will ensure the integrity of internal control activities throughout the Corporation through a step-by-step procedures and policies handbook that will be used by the entire organization. The Audit Committee shall keep minutes of each of its meetings, which shall be presented at the next succeeding meeting of the Board of Directors for ratification."

"10.3 The Nomination Committee shall be composed of at least three members, one of whom shall be an independent director. The Board of Directors may also designate non-voting members as it may on a case-to-case basis require for purposes of advising the Committee. The Nomination Committee shall meet at least once a year, and shall (a) pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the qualifications and disqualifications provided for in the Articles of Incorporation, these By-Laws, the Manual of Corporate Governance, applicable laws, regulations, and resolutions and rules passed or adopted by it, the Shareholders, the Board of Directors, including disqualifying nominees who, in the Committee's judgment, represents an interest adverse to or in direct or indirect conflict with those of the Corporation; (b) advise the Board and the Shareholders, as applicable, whether the directors continue to be qualified or are disqualified from continuing as members of the Board of Directors; (c) in consultation with the Executive Committee, re-define the role, duties, and responsibilities of the Chief Executive Officer or other members of senior management by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times. The Nomination Committee shall keep minutes of each of its meetings, which shall be presented at the next succeeding meeting of the Board of Directors for ratification."

"10.4 The Compensation and Remuneration Committee shall be composed of at least three members, one of whom shall be an independent director. The Board of Directors may also designate non-voting members as it may on a case-to-case basis require for purposes of advising the Committee. The Compensation and Remuneration Committee shall meet at least once a year, and shall (a) establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment; (b) designate the amount of remuneration, which shall be in a sufficient level to attract and retain senior management and directors who are needed to run the Corporation successfully; (c) develop a Full Business Interest Disclosure form as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired; (d) disallow any director to decide his or her own remuneration; (e) to the extent required by law or regulation, provide in the Corporation's annual reports, information, and proxy statements a clear, concise, and understandable disclosure of all fixed and variable

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compensation that may be paid to its directors and top four (4) Δ management officers for the previous fiscal year Δ ; and (f) review (if any) or cause the development of, the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts. The Compensation and Remuneration Committee shall keep minutes of each of its meetings, which shall be presented at the next succeeding meeting of the Board of Directors for ratification.”

“10.5 The other committees of the Board, created and appointed by the Board from time to time, shall have such powers and duties not inconsistent herewith as the Board of Directors may from time to time determine. All such committees shall resolve all matters brought before it (including the election of their respective Chairmen) by the unanimous vote of its Director-members. If unanimity cannot be achieved at the committee level, the unresolved issue or matter for decision by the committee shall be elevated to the Board for consideration and approval which shall decide the same by majority vote, unless it is one of those corporate acts requiring the vote of three-fourths or 75% of the members of the Board. The members of the Executive Committee and such other committees created by the Board of Directors may be removed at any time by the Board of Directors, with or without cause, and any vacancies in such committees shall be filled by the Board of Directors, at any regular or special meeting of the Board at which a quorum is present; provided, that only the party which nominated the member who was removed may nominate the replacement of such member. The Board of Directors shall adopt rules and regulations not inconsistent herewith, prescribing the powers of the Executive Committee and the other committees, and the manner in which said powers shall be exercised.”

‘Each of the members of the Executive, Audit, Nomination, Compensation and Remuneration, and other committees shall receive written notice (whether by personal delivery, Δ facsimile or electronic mail) of all meetings of such committee, at least seven (7) days prior to the date of any such meeting. All proceedings had and business transacted at any meeting without such notice shall be null and void *ab initio* unless all committee members waive such notice.’

x x x

“SECTION 13. For so long as the Appointments remain effective, at any board of directors meeting of the Corporation, the affirmative vote of three-fourths or 75% of the directors Δ shall be required for the validity of any of the following acts:

x x x

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'(2) Disposal of any assets of the Corporation which have a value in excess of 10% of the net book value of all the assets of the Corporation unless provided for in the relevant Annual Operating Plan;'

x x x

'(9) Declaration or payment of dividends other than in accordance with the policy that Δ the Corporation may declare and pay dividends up to 50% (or such other percentage as may be reset by the Board) of its net profits (after allowing for provisions and other requirements of the Annual Operating Plan) on condition that it complies with the applicable Operating Targets as set out in the then current Annual Operating Plan;'

'(10) Recruitment, hiring, or otherwise changing terms of employment (including compensation, severance, or termination) for the six (6) highest-paid executives, officers and/or directors of the Corporation other than such terms as Δ recommended by the Compensation and Remuneration Committee of the Corporation;'

x x x."

RESOLVED, that Section 1 of Article III-A be made to clarify that in no case shall the Corporation have less than two independent directors, and that it be amended to read as follows:

"**SECTION 1.** The Corporation shall, to the extent required by law or regulation, have two independent directors or at least 20% of its board size, whichever is the lesser, provided, that the number of independent directors shall in no case be less than two. All Directors, including Independent Directors, shall at all times possess all the qualifications and none of the disqualifications provided for in the Articles of Incorporation, these By-Laws, the Manual of Corporate Governance, applicable laws, regulations, and resolutions and rules passed or adopted by the Nomination Committee."

RESOLVED, that certain provisions of Article IV be amended, and its Sections renumbered accordingly, as follows:

"**SECTION 1.** The Officers of the Corporation Δ are the Chairman of the Board, the Vice-Chairman, the President, the Chief Executive Officer, the Chief Strategy Officer, the Chief Operating Officer, one or more Executive Vice Presidents, one or more Vice Presidents, the Compliance Officer, the Chief Financial Officer, the Treasurer, the Corporate Secretary, the Assistant Corporate Secretary, and such other officers as the Board of Directors may from time to time elect or appoint.

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Any two or more offices, except those the functions and duties of which are incompatible, may be held by one person by resolution of the Board of Directors."

x x x

"SECTION 3. The Vice-Chairman of the Board shall preside at the meetings of the Board of Directors and Stockholders in the absence of the Chairman. He/She shall exercise such powers and perform such duties and functions as the Board of Directors may, from time to time, assign to him/her."

"SECTION 4. The President shall be a director of the Corporation. He/She may call special meetings of the Stockholders and the Board of Directors and shall perform all such other duties as are incident to his/her office or are properly required of him/her by the Board of Directors."

"SECTION 5. The Chief Executive Officer, who need not be a director of the Corporation, shall be in charge of the general management of the business and affairs of the Corporation. Along with the senior management team reporting to him/her, he/she shall be fully responsible for the day-to-day operations of the business of the Corporation and shall develop the Annual Operating Plan, and present the Annual Operating Plan to the Executive Committee and Board of Directors for review and approval, be fully responsible for executing the Annual Operating Plan, be charged with maximizing the Corporation's business results, identifying issues affecting its business, and developing and executing plans to enhance the Corporation's performance. He/She shall perform all such other duties as are incident to his/her office or are properly required of him/her by the Board of Directors. He/She shall sign contracts and other instruments of the Corporation as are proper and necessary for the transaction of the ordinary business of the Corporation."

"SECTION 6. The Chief Strategy Officer shall be responsible for developing the long-term business plan of the Corporation. He/She shall identify and develop plans for the introduction of new product lines and implementation of new business of the Corporation. He/She shall evaluate business opportunities for the Corporation, including, but not limited to, joint ventures, acquisitions and strategic alliances. He/She shall be in charge of liaising in behalf of the Corporation with PepsiCo on all matters that relate to the Appointments. He/She shall perform such other duties as are incident to his/her office or are properly required of him/her by the Board of Directors."

"SECTION 7. The Chief Operating Officer shall be in charge of the overall sales, marketing, and operations of the Corporation including planning, directing, and coordinating the operations of the Corporation, and shall perform such other duties as are incident to his/her office or are properly required of him/her by the Board of Directors."

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"SECTION 8. The Executive Vice-President(s) and the Vice-President(s) shall constitute the senior management team of the Corporation and shall report directly to the Chief Executive Officer. If qualified, they shall assume such specific duties as the Chief Executive Officer may assign to them in writing, or as may be properly required of them by the Board of Directors."

"SECTION 9. The Chairman of the Board shall, to the extent required by law or regulation, designate a Compliance Officer who shall hold the position of a Vice President or its equivalent. In the absence of such appointment, the Corporate Secretary, preferably a lawyer, shall act as Compliance Officer. The Compliance Officer shall directly report to the Chairman of the Board, and shall perform the following duties: (a) monitor compliance with the provisions and requirements of the Corporation's Manual of Corporate Governance (the "Manual") and the rules and regulations of regulatory agencies; (b) appear before the Securities and Exchange Commission upon summon on similar matters that need to be clarified by the same; (c) determine violation/s of the Manual and recommend penalty for violation thereof for △ review and approval of the Board, as well as the adoption of measures to prevent a repetition of the violation; (d) issue a certification as required by law or regulation on the extent of the Corporation's compliance with the Manual for the completed year, explaining the reason/s of the latter's deviation from the same; and (e) identify, monitor, and control compliance risks.

"SECTION 10. The Corporate Secretary, who shall be a citizen and resident of the Philippines, shall issue all notices of regular meetings of the Stockholders and Board of Directors; keep the minutes of all meetings of the Stockholders and Board of Directors; have charge of the corporate seal and records; sign, with the President, all stock certificates and such instruments as require such signature; and make such reports and perform such other duties as are incident to his/her office, or as may be properly required of him/her by the Board of Directors."

"SECTION 11. The Assistant Corporate Secretary shall also be a citizen and resident of the Philippines, and in the absence or disability of the Corporate Secretary, shall act in his/her place and perform his/her duties. The Corporate Secretary may delegate any or all of his/her powers, duties, functions and responsibilities to the Assistant Corporate Secretary who shall always be subject to the supervision and control of the Corporate Secretary. The Assistant Corporate Secretary shall also perform such other duties as may, from time to time, be assigned to him/her by the Board of Directors or the Chief Executive Officer."

"SECTION 12. The Chief Financial Officer, who shall report to the Chief Executive Officer, shall exercise the financial management function for the Corporation, including treasury management, taxation and tax planning, audit and financial compliance, banking relationships and arrangements, and such other duties consistent and typically exercised by one with the job title as may from time to time be delegated or required by the Board of Directors."

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"SECTION 13. The Treasurer shall have charge of all monies of the Corporation and shall keep regular books of account therefor. He/She shall sign or countersign such instruments as require his/her signature; perform all duties incident to his/her office and render such accounts, reports, and statements as may be properly required of him/her by the Chief Executive Officer or the Board of Directors. Unless otherwise determined by the Board of Directors, he/she shall sign, in the name of the Corporation, all checks, drafts and orders for payment of money, and in case the Board of Directors shall so require, he/she shall give a bond satisfactory to the Board of Directors for the faithful performance of his/her duties."

"SECTION 14. The officers of the Corporation shall receive such compensation and salary as may be recommended by the Compensation and Remuneration Committee; provided, however that the power to fix the compensation and salary of the officers performing management functions, other than the officers enumerated in these By-laws, may be delegated by the Board of Directors to the Chief Executive Officer."

RESOLVED, that the fiscal year of the Corporation be changed to 1 January to 31 December of each calendar year, and that Section 1 of Article V be amended to read as follows:

"SECTION 1. The Fiscal Year of the Corporation shall commence with the opening of business on the 1st day of January of each calendar year, and shall close on the 31st day of December of the same year."

RESOLVED, that Section 1 of Article IX be amended to read as follows:

"SECTION 1. These By-Laws may be amended or repealed by the affirmative vote of at least a majority of the Board of Directors and of the Stockholders representing a majority of the outstanding capital stock at any Stockholders meeting called for that purpose. However, the power to amend, modify or repeal these By-Laws or to adopt new By-Laws may be delegated to the Board of Directors by the affirmative vote of Stockholders representing not less than three-fourths or 75% of the outstanding capital stock: Provided, however, that any such delegation of powers to the Board of Directors may be revoked by the vote of the Stockholders representing a mere majority of the outstanding capital stock at a regular or special meeting."

9. APPOINTMENT OF EXTERNAL AUDITORS

The President-Chief Executive Officer then discussed the need to designate and appoint the external auditors of the Corporation for the ensuing fiscal year 2010 to 2011.

A nomination was heard from the floor to appoint KPMG Manabat Sanagustin & Co., CPAs as the Corporation's external auditor for 2010 to 2011.

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Thereafter, a motion was made which was duly seconded to close the nomination and appoint KPMG Manabat Sanagustin & Co., CPAs as the Corporation's external auditor for 2010 to 2011.

On such motion which was duly made and seconded, and there being no objection, the stockholders unanimously approved the appointment of KPMG Manabat Sanagustin & Co., CPAs as the external auditors of the Corporation for the ensuing fiscal year 2010 to 2011.

Stockholders' Resolution No. 2010/2011 - 006

RESOLVED, that KPMG Manabat Sanagustin & Co., CPAs be, as they are hereby, appointed as external auditors of the Corporation for the ensuing fiscal year 2010 to 2011.


10. ADJOURNMENT

The President-Chief Executive Officer asked the stockholders if there were any other matters that they would like to take up at the meeting.

After the President-Chief Executive Officer had replied to some queries from the floor relating to the business and some future initiatives of the Corporation, a comment was heard from the floor that all of the items in the Agenda had been taken up and sufficiently discussed. Hence, a motion was made to adjourn the meeting.

There being no further business to transact, on motion duly made and seconded, the meeting was adjourned.

CERTIFIED CORRECT:


MA. ROSARIO C.Z. NAVA
Corporate Secretary

ATTESTED:



PARTHA CHAKRABARTI
President-Chief Executive Officer