

**MINUTES OF THE 2023 ANNUAL STOCKHOLDERS' MEETING OF
PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

Held virtually via <https://www.pcppi-asm.com>

on 15 June 2023 at 9:00 a.m.

(Stockholders' Meeting No. 2023/2024-001)

STOCKHOLDERS PRESENT

Total No. of Issued and Outstanding Shares entitled to vote	3,693,772,279
Total No. of Shares of Stockholders Participating by Remote Communications	3,624,673,290*
Total No. of Shares of Stockholders Voting <i>in absentia</i>	0
Total No. of Shares of Stockholders Present by Proxy	60,010
Total No. of Shares Present	3,624,733,300
Percentage Present of the Total No. of Issued and Outstanding Shares entitled to vote	98.13%

* 3,624,292,286 shares with proxies participated via remote communication

STOCKHOLDERS PRESENT (BY REMOTE COMMUNICATIONS AND BY PROXY)

Lotte Chilsung Beverage Co. Ltd.

Quaker Global Investments B.V.

Cecilia R. Duguran

Dominador T. Torres III

Jocelyn P. Amado

DIRECTORS PRESENT

Oscar S. Reyes *Chairman and Independent Director*
Rafael M. Alunan III *Vice-Chairman and Independent Director*
Frederick D. Ong *Director and President and Chief Executive Officer*

OFFICERS PRESENT

Sungjin Kim *Chief Manufacturing Officer*
Lyndon Ferdinand J. Cuadra *Chief Commercial Officer and Area Commercial Head (Visayas)*
Dong Geol Yoon *Officer-In Charge, Chief Supply Chain Officer*
Jin Pyo Ahn *Chief Corporate Strategy Officer*
Elmer Joseph N. Yanga *Chief Finance Officer and Chief Audit Executive*
Carina Lenore S. Bayon *Chief Environmental, Social, and Governance Officer, Chief Compliance Officer, Extended Producers Responsibility Compliance Officer, and Data Protection Officer*

Alvin M. Valencia *Area Commercial Head (Luzon 1)*
Aristedes H. Alindogan *Area Commercial Head (Luzon 2)*
Raoul M. Palugod *Area Commercial Head (Visayas)*
Ian E. Conlu *Area Commercial Head (Mindanao)*
Reynaldo M. Israel *National Key Accounts Head*
Kristine Ninotschka L. Evangelista *Corporate Secretary*

I. CALL TO ORDER

The Chairman of the Board of Directors (the "*Board*") of Pepsi-Cola Products Philippines, Inc. (the "*Company*"), Mr. Oscar S. Reyes, called the meeting to order. The Corporate Secretary, Atty. Kristine Ninotschka L. Evangelista, recorded the minutes of the proceedings.

II. CERTIFICATION OF NOTICE AND OF QUORUM

The Corporate Secretary certified that, beginning 24 May 2023 the notice and agenda for the annual stockholders' meeting and the Definitive Information Statement cleared and approved by the Securities and Exchange Commission ("SEC") as well as the procedures on participation by remote communications and by proxy, and on voting in absentia, were made available to the stockholders through the Company's website and by email to all stockholders of record as of record date who registered to participate or vote upon the matters for approval in the meeting. The notice and agenda were also published on 11 May 2023 and 12 May 2023 in the business section of the Business Mirror and Manila Times, in both print and online formats (*i.e.*, the physical copies of Business Mirror and Manila Times, and on businessmirror.com.ph and manilatimes.net).

The Corporate Secretary also certified that there was a quorum to conduct business, there being a total of 3,624,733,300 shares represented, constituting 98.13% of the total outstanding capital stock of the Company, or more than 50% of the Company's total outstanding capital stock. This figure refers to the number of shares held by stockholders that had sent proxies, confirmed attendance, and completed registration prior to the meeting and based on the records generated in the online platform.

III. INSTRUCTIONS ON RULES OF CONDUCT AND VOTING PROCEDURES

The Corporate Secretary reported that stockholders were furnished copies of the voting procedures and an explanation of the agenda items. Upon the Chairman's request, the Corporate Secretary explained the rules of conduct and voting procedures for the meeting.

The Corporate Secretary explained that, under the procedures on participation by remote communications and voting in absentia, the stockholders may send their questions or comments to corporatesecretary@pcppi.com.ph and that questions and comments received as of 8:30 a.m. will be read and answered during the discussion of the agenda item, "Other Matters".

The voting procedures provide that stockholders of record are entitled to one (1) vote per share, except in the election of directors where a stockholder may vote such number of shares as he or she holds on record multiplied by the number of directors to be elected (*i.e.*, nine (9) directors). The procedures permit stockholders participating by remote communications to vote through a digital ballot until the end of the meeting. The username and password to access the digital ballot were provided by email to the duly registered stockholders. Stockholders who appointed the Chairman as their proxy have cast their votes using their proxy forms.

The votes were tabulated by the Corporate Secretary. The Corporate Secretary reported that, at the end of the proxy validation process on 12 June 2023, 5:00 p.m., stockholders owning 3,624,292,286 voting shares representing 99.99% of the total voting shares represented in the meeting (*i.e.*, votes cast by proxy ballot) and 98.13% of the total outstanding voting shares have cast their votes on the items for consideration. The Corporate Secretary referred to this partial tabulation in reporting the voting results throughout the meeting. The remaining votes that were cast after the proxy validation and during the meeting are now included and reflected in these minutes.

IV. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 29 JUNE 2022

The Chairman then proceeded with the next item in the agenda which is the approval of the minutes of the annual stockholders' meeting held on 29 June 2022.

The Chairman informed the stockholders that the minutes of the meeting was attached to the Definitive Information Statement made available to the stockholders through the Company's website and by email to all stockholders of record as of record date who registered to participate or vote upon the matters for approval in the meeting. A copy of the minutes was also posted on the Company's website.

FOR APPROVAL BY THE STOCKHOLDERS AT THE 2024 ANNUAL STOCKHOLDERS' MEETING

The Corporate Secretary presented Stockholders' Resolution No. 2023/2024-001, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2023/2024-001

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "*Corporation*"), approve, as they hereby approve, the minutes of the Corporation's Annual Stockholders' Meeting held on 29 June 2022.

Based on the votes received, the votes on the adoption of Stockholders' Resolution No. 2023/2024-001 were as follows:

Vote	Number of votes	Percentage of shares represented
For	3,624,353,296	99.99%
Against	0	0.00%
Abstain	0	0.00%
Total	3,624,353,296	99.99%

Given the voting results, the Chairman declared that the resolution is deemed adopted and the minutes of the Company's Annual Stockholders' Meeting held on June 29, 2022, is approved.

V. REPORT OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

The President and Chief Executive Officer, Mr. Frederick D. Ong, reported on the results of the operations of the Company for the calendar year ended 31 December 2022 and the various initiatives undertaken by Management for the year.

Mr. Ong reported that the Company was able to deliver good business performance. With the support of PepsiCo and Lotte, the Company is emboldened to face the years ahead with clarity of purpose and passion in action.

Mr. Ong reported that for 2022, the Company made PhP38.36 billion in revenues marking an increase of 17%. The gross profit reached PhP6.53 marking a 4% increase while PhP2.89 billion in earnings before interest, taxes, depreciation, and amortization was registered marking a 1% increase. These marginal increases are noteworthy because these were achieved despite industry challenges on sufficiency and higher prices of sugar and higher commodity inflation.

Mr. Ong stated that the Company invested in a new polyethylene terephthalate line in Cebu and in a pre-formed injection line in its Southern Tagalog Regional Operations which will boost the capacity to reach more customers across the country. By the end of the year, the Company was able to decrease its fixed cost per 8oz by 6.9% highlighting its intensified focus on efficiency across all areas of operations.

Mr. Ong also noted that the Company's brands remained strong and continues to gain market share with the reinforced distribution initiatives. Sting enjoyed its highest market share to date at 40.3% while Mountain Dew was ranked first in the Filipino carbonated soft drinks ("*CSD*") segment. Gatorade registered a double-digit growth while Pepsi made significant improvements in terms of brand preference over competition. Further, Gatorade No Sugar was launched in response to market demand for healthier beverage alternatives while strong ties with 7-Eleven Philippines allowed the Company to formally introduce Chum Churum Soonhari to Filipinos nationwide.

The end of 2022 was marked with major client acquisitions that brought the Company's product closer to more Filipino consumers. Jollibee, Greenwich, Chowking, Burger King, and Mang Inasal now exclusively carry the Company's CSD brands in Mindanao. Lipton Iced Tea is also carried by Chowking, Mang Inasal, and Greenwich nationwide. The Company also partnered with Figaro Coffee Group Inc., which allowed consumers to enjoy the brand from Angel's Pizza and Tien Ma, as well as at Megaworld Cinemas, which allowed the brand to be enjoyed while watching the latest films.

FOR APPROVAL BY THE STOCKHOLDERS AT THE 2024 ANNUAL STOCKHOLDERS' MEETING

The Company retained the support and trust of major clients such as Max's Group, Inc. which owns Max's, Pancake House, Yellow Cab, and Krispy Kreme, and the Viking's Group., which owns the Viking's Luxury Buffet and Tong Yang. Gerry's Grill, Taters, and Tom's World also continue to carry the Company's beverages.

Mr. Ong reported that major economic challenges are in play as the Company navigates through 2023. A slower rate in economic expansion is expected as Gross Domestic Product is expected to crawl to 6% on account of cautious consumer spending. High inflation and interest rates continue to affect the global economy where inflation peaked at 8.1% which translates to higher price increases for food and non-alcoholic beverages. Sugar and oil prices remained a continuing concern which affected the Company's ability to balance demand recovery and output related expenses.

Mr. Ong discussed the key areas of focus which are vital in ensuring that the Company thrives productively and sustainably. In this regard, the Company (a) refocused its portfolio by aiming at sustaining Mountain Dew's leadership in the Filipino CSD space and launching a brand campaign inspired by the youth's desire for new food discoveries; (b) revamped its go-to market strategy by implementing standardized market execution initiatives through digitalization and trade optimization; and (c) continued its optimization program that will reduce expenses and boost productivity thereby enhancing its manufacturing and warehousing network. As a result of focusing in these areas, the Company reduced logistics operation expense, improved production line efficiency, and increased productivity results.

Mr. Ong reported on the latest accolades received by the Company. In the Asia Pacific Enterprise Awards, which recognizes organizations and leaders that demonstrate remarkable performance while remaining true to their social responsibilities, the Company received the Corporate Excellence Award while Mr. Ong received the Master Entrepreneur Award. Moreover, the Company also received the 13th Asia's Best Employer Brand Award for Promoting Health in the Workplace which affirms its commitment in championing health and safety across its locations in a post-pandemic world.

Mr. Ong stated that the Company remains inspired by the ICARE values of Integrity and Innovation, Care and Respect, Excellence and Empowerment. In this regard, the Company calibrated its sustainability focus towards a broader framework encompassing its Environment, Social, and Governance ("ESG") commitments such as continued reduction of plastic resin and decrease in volume of carton materials used in packaging materials. Additionally, waste recycling rates improved at 90%.

Mr. Ong reported that, in 2022, the Company has donated and planted an estimated 800 seedlings along key locations during its community project and continues to work with government agencies such as the Laguna Lake Development Authority for clean-up drives and the Adopt-a-River program. In Muntinlupa, the Company still stands as the valued private sector representative at the Ecological Solid Waste Management Bureau.

The Company is compliant with both government and industry rules and regulations. Mr. Ong mentioned that aside from establishing a stronger framework to support its business continuity plans, the employees continue to be engaged in refresher courses and best practice exchange to foster the spirit of empowerment and innovation across department functions.

In the area of licenses and permits, the Company's licenses have an approval rate of 99% while the permits are always filed on time and have an approval rate of 100%.

Mr. Ong also reported that the Company's manufacturing facilities have received the Department of Labor and Employment's Safety Seal. He was proud to announce that all plants have received recommendation to be awarded Food Safety System Certification from Société Générale de Surveillance.

In 2022, the Company leveraged its investment in the Quick-Learning-Knowhow Management System, which fully automates its commitment to its Code of Conduct.

FOR APPROVAL BY THE STOCKHOLDERS AT THE 2024 ANNUAL STOCKHOLDERS' MEETING

Mr. Ong explained that the employees are at the heart of the Company's operations which is the reason why the People Agenda is at the forefront of its priorities. Excellence, fueled by the passion to perform, was on full display with a 29% increase in promotions. The placement planning system and total rewards benchmarking was likewise completed, and the Company's reward program was also fully implemented. In keeping with ESG standards, the Company has achieved the Hiring Target Gender ratio. Moreover, its annual engagement with the Department of Education's Brigada Eskwela program saw an increase of 54% in the number of partner schools and 16% in its employee volunteers. Mr. Ong stated that the Company looks forward to a more meaningful campaign with them this coming school year.

The Human Resource Operations function saw an improved efficiency where it was able to complete the Pilot Centralization of Payroll Operations for Luzon 1 and Track 2.0. Establishing a strong PCPPI-one culture with ICARE values kept the employees engaged which translated to a better attrition rate measure against market trend.

In closing, Mr. Ong stated that the Company's commitment to its Mission, Vision, and Value is ever steadfast and with the support and collaboration of its partners at PepsiCo and Lotte, the Company will be able to achieve profitable growth as it leaps forward towards being the country's leading beverage company. Mr. Ong ended by thanking the shareholders, customers, employees, and directors of the Company for their trust and support.

After the presentation of the Company's corporate video, the Chairman stated that the President and Chief Executive Officer's report on the results of the Company's operations for calendar year ended 31 December 2022 was noted for the record.

VI. PRESENTATION OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Chairman proceeded to the next agenda item, which was the presentation and approval of the Company's Annual Report and Audited Financial Statements ("AFS") for the calendar year ended 31 December 2022. The Chairman reported that copies of the Annual Report and AFS, which form part of the Company's Annual Report, were attached to the Definitive Information Statement made available to the stockholders through the Company's website.

The Corporate Secretary presented Stockholders' Resolution No. 2023/2024-002, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2023/2024-002

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") note, accept and approve, as they hereby note, accept and approve, the Corporation's Annual Report and Audited Financial Statements for the calendar year ended 31 December 2022.

Based on the votes received, the votes on the adoption of Stockholders' Resolution No. 2023/2024-002, were as follows:

Vote	Number of votes	Percentage of shares represented
For	3,624,353,296	99.99%
Against	0	0.00%
Abstain	0	0.00%
Total	3,624,353,296	99.99%

Given the voting results, the Chairman declared that Stockholders' Resolution No. 2023/2024-002 is adopted, and the Audited Financial Statements for the calendar year ended December 31, 2022, are approved.

VII. RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT FOR THE PREVIOUS YEAR

The Chairman proceeded to the next agenda item, which was the ratification of the acts of the Board and Management from the last annual stockholders' meeting held on 29 June 2022 to date.

The Corporate Secretary stated that the acts and resolutions of the Board include those of the Board Committees exercising powers delegated by the Board. These acts and resolutions are reflected in the minutes of the meetings, and include the election of officers and members of the Board Committees, appointment of authorized representatives for various transactions, treasury matters, contracts, and other material matters duly and timely disclosed to the SEC as well as posted on the Company's website. The material matters disclosed to the SEC are also set out in the Company's Annual Report, attached to the Definitive Information Statement that was made available to the stockholders through the Company's website and by email to all stockholders of record as of record date who registered to participate or vote upon the matters for approval in the meeting.

The acts of Management include acts that the Company's officers performed to implement the resolutions of the Board or the Board committees, or in connection with the Company's general conduct of business.

The Corporate Secretary presented Stockholders' Resolution No. 2023/2024-003, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2023/2024-003

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") ratify and approve, as they hereby ratify and approve, all acts and resolutions of the Corporation's Board of Directors, including those of the Board Committees, all acts of the Management, as well as all contracts and transactions entered into by the Corporation from the last Annual Stockholders' Meeting held on 29 June 2022 to date.

Based on the votes received, the votes on the adoption of Stockholders' Resolution No. 2023/2024-003 were as follows:

Vote	Number of votes	Percentage of shares represented
For	3,624,353,296	99.99%
Against	0	0.00%
Abstain	0	0.00%
Total	3,624,353,296	99.99%

Given the voting results, the Chairman declared that the resolution is deemed adopted; and acts and resolutions of the Company's Board, including those of the Board Committees, all acts of the Management, as well as all contracts and transactions entered into by the Company from the last Annual Stockholders' Meeting held on June 29, 2022, to date are approved and ratified.

VIII. PRESENTATION OF THE PROPOSED AMENDMENTS TO THE AMENDED ARTICLES OF INCORPORATION

The Chairman proceeded to the next order of business, which was the presentation and approval of the proposed amendments to the Company's Amended Articles of Incorporation.

The Corporate Secretary confirmed that the proposed amendments to the Company's Amended Articles of Incorporation were approved by the Board in its meeting held on 27 April 2023; and gave a brief overview of the proposed amendments, which were outlined and discussed in the Definitive Information Statement.

(6) Any change in the capital structure of the Corporation or any capital expenditure ~~unless provided for in the relevant Annual Operating Plan (per project base) in excess of (A) (for non-containers) USD 10,000,000 as long as it is not a related party transaction or (B) (for containers) the average capital expenditures made in connection with containers for the three (3) immediately preceding years;~~

(7) xxx xxx xxx

(8) Granting by the Corporation of any warrants, conversion rights, other contingent rights to equity ~~unless provided for in the relevant Annual Operating Plan, except for any employee stock option scheme which has been approved by the Board of Directors or any other security that may dilute PepsiCo's equity ownership in the Corporation;~~

(9) Declaration or payment of dividends other than in accordance with the policy that 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 and that the Corporation shall not declare payment of dividends until 2025;

~~(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 recommended by the Nomination and Governance Committee and Compensation and Remuneration Committee of the Corporation; provided that no director shall be involved in deciding his or her own remuneration during his or her incumbent term;~~

(10) Change of any accounting methods unless required by applicable law, regulation, or accounting standards;

~~(11) Approval or modification of any Annual Operating Plan; and~~

~~(12) Any amendment to or renewal of the Appointments;~~

(11) Appointment of an accounting firm which is not one of the Big 4 accounting firms (Pricewaterhouse Coopers, Deloitte Touche Tohmatsu Limited, Ernst & Young and KPMG) as the external auditor of the Corporation; and

(12) Introduction of any new beverage product in the alcoholic beverages category.

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FOR APPROVAL BY THE STOCKHOLDERS AT THE 2024 ANNUAL STOCKHOLDERS' MEETING

Based on the votes received, the votes on the adoption of Stockholders' Resolution No. 2023/2024-004 were as follows:

Vote	Number of votes	Percentage of shares represented
For	3,624,353,296	99.99%
Against	0	0.00%
Abstain	0	0.00%
Total	3,624,353,296	99.99%

Given the voting results, the Chairman declared that the resolution is deemed approved, and the proposed amendments to the Twelfth Article of the Amended Articles of Incorporation are adopted.

IX. PRESENTATION OF THE PROPOSED AMENDMENTS TO THE AMENDED BY-LAWS

The Chairman proceeded to the next order of business, which was the presentation and approval of the proposed amendments to the Company's Amended By-Laws.

The Corporate Secretary confirmed that the proposed amendments to the Company's Amended By-Laws were approved by the Board in its meeting held on 27 April 2023, and gave a brief overview of the proposed amendments, which were outlined and discussed in the Definitive Information Statement.

The proposed amendments to the Amended By-Laws seek to (a) change the date of the annual stockholders' meeting from the last Friday of May to the last Friday of June but no later than the 29th of June; (b) reflect the provisions allowing the participation of the stockholders in meetings via remote communication; (c) define matters requiring the Board's high vote requirement; (d) increase the high vote to 80% of the Board; (e) reflect the current designation and functions of the executive officers; and (f) move the proxy submission deadline earlier from three days to seven days before any stockholders' meeting, will be presented to the stockholders.

The Corporate Secretary presented Stockholders' Resolution No. 2023/2024-005, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2023/2024-005

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "*Corporation*") approve as they hereby approve the following amendments to Article II of the Amended By-Laws:

"Article II
STOCKHOLDERS

SECTION 1. The annual meeting of the Stockholders shall be held in Metro Manila on the last Friday **of June but no later than the 29th of June** of each year (which shall not be a legal holiday) or, if it be a legal holiday, on the business day immediately preceding it.

Stockholders or their proxies who cannot physically attend or vote at the meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate.

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.

Stockholders can also vote and participate at special meetings through remote communication.

xxx xxx xxx

SECTION 7. xxx xxx xxx

(b) A Stockholder shall be entitled to nominate the replacement(s) for the director(s) who were nominated by such Stockholder ~~at~~ **as** director representing such Stockholder (as the case may be). Except in cases where a vacancy in the Board of Directors is due to the removal of a director or an increase in the number of directors (which vacancy shall be filled by the Stockholders in a regular or special meeting called for that purpose), a majority of the remaining directors, if still constituting a quorum (or, in the event the remaining directors do not constitute a quorum, by the Stockholders in a regular or special meeting called for that purpose) shall vote to elect that replacement(s) so nominated.”

RESOLVED FURTHER, that the stockholders of the Corporation approve, as they hereby approve, the following amendments to Article III of the Amended By-Laws:

“Article III
DIRECTORS

SECTION 10. xxx xxx xxx

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%~~ **Eighty Percent 80%** 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.

SECTION 12. For so long as the Appointments provide for and remain effective, the affirmative vote of PepsiCo, **Inc. (“PepsiCo”)**, as a direct or indirect Stockholder, shall be required for the validity of the following acts:

(1) Amendment of Articles of Incorporation and/or By-Laws insofar as such amendment affects PepsiCo's rights and interests;

(2) **The introduction of a new beverage product in alcoholic beverages category Expanding the range of products to be produced, sold or distributed by the Corporation to include any product not licenses to the Corporation by Pepsico or its affiliate without the prior affirmative written consent of PepsiCo.**

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%~~ **80%** of the directors shall be required for the validity of any of the following acts:

(1) xxx xxx xxx

(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;~~

(3) Substantial change in the business activities of the Corporation ~~unless provided for in the relevant Annual Operating Plan;~~

(4) Any external borrowing by the Corporation ~~unless provided for in the relevant Annual Operating Plan~~ **which (i) would cause the Debt-to-Equity ratio to exceed the lower of 2.5x or 250% or any applicable ratio under Corporation's debt covenants or (ii) the purpose of which is not to invest in the business and to return any capital to shareholders;**

(5) xxx xxx xxx

(6) Any change in the capital structure of the Corporation or any capital expenditure ~~unless provided for in the relevant Annual Operating Plan~~ **(per project base) in excess of (A) (for non-containers) USD 10,000,000 as long as it is not a related party transaction or (B) (for containers) the average capital expenditures made in connection with containers for the three (3) immediately preceding years;**

(7) xxx xxx xxx

(8) Granting by the Corporation of any warrants, conversion rights, other contingent rights to equity ~~unless provided for in the relevant Annual Operating Plan, except for any employee stock option scheme which has been approved by the Board of Directors or any other security that may dilute PepsiCo's equity ownership in the Corporation;~~

(9) Declaration or payment of dividends other than in accordance with the policy that 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 **and that the Corporation shall not declare payment of dividends until 2025;**

~~(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 recommended by the Nomination and Governance Committee and Compensation and Remuneration Committee of the Corporation; provided that no director shall be involved in deciding his or her own remuneration during his or her incumbent term;~~

(10) Change of any accounting methods unless required by applicable law, regulation, or accounting standards;

~~(12) Approval or modification of any Annual Operating Plan; and~~

~~(13) Any amendment to or renewal of the Appointments;~~

(11) Appointment of an accounting firm which is not one of the Big 4 accounting firms (Pricewaterhouse Coopers, Deloitte Touche Tohmatsu Limited, Ernst & Young and KPMG) as the external auditor of the Corporation; and

(12) Introduction of any new beverage product in the alcoholic beverages category.

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RESOLVED FURTHER, that the stockholders of the Corporation approve, as they hereby approve, the following amendments to Article IV of the Amended By-Laws:

“Article IV
OFFICERS

SECTION 1. The Officers of the Corporation are the Chairman of the Board, the Vice-Chairman, the President, the Chief Executive Officer, the Chief Corporate Strategy Officer, the Chief Operating Officer, ~~one or more Executive Vice Presidents, one or more Vice Presidents, the Chief Financial Officer, Chief Commercial Officer, Chief Supply Chain Officer, Chief Manufacturing Officer, Chief Environmental, Social and Governance Officer,~~ the Compliance Officer, the Chief Risk Officer, one or more Executive Vice Presidents, one or more Senior Vice Presidents, the Corporate Secretary, the Assistant Corporate Secretary, and such other officers as the Board of Directors may from time to time elect or appoint. 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.

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SECTION 6. The Chief Corporate 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.

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SECTION 8. The Chief Financial Officer, who shall report directly to the Chief Executive Officer, shall exercise the financial management function for the Corporation, including corporate financial planning and analysis, financial performance management and reporting, accounting operations and shared services, treasury management, taxation and tax planning 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.

The Chief Financial Officer may also act as the Treasurer, who shall have charge of all monies of the Corporation and shall keep regular books of account therefor.

Unless otherwise determined by the Board of Directors, he/ she shall sign or countersign such instruments as requiring 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 9. The Chief Commercial Officer, who shall report directly to the Chief Executive Officer shall be responsible for leading and directing the Company's commercial operations. He / She shall provide the organization with strategic, holistic, timely and efficient management and services in the areas of Go-To-Market strategies, trade marketing, demand planning and forecasting, revenue management, traditional trade, modern trade, sales systems and processes, people development, customer and consumer relations, governance, and compliance to achieve sales volume, market share, revenue, and profit targets 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.

SECTION 10. The Chief Supply Chain Officer, who shall report directly to the Chief Executive Officer shall be responsible for providing overall strategic leadership and direction to the Supply Chain function to ensure efficient and effective operations of the supply chain operations, the availability of products and services anchored on the short, medium and long-term plan of the Company. He / she is accountable for the end-to-end supply chain, including sourcing, procuring, planning and distributing of products and services.

SECTION 11. The Chief Manufacturing Officer, who shall report directly to the Chief Executive Officer is responsible for providing overall strategic leadership and direction to the Manufacturing function to ensure efficient and effective operations and the availability of products and services anchored on the short, medium and long-term plan of the company.

SECTION 12. The Chief Environmental, Social and Governance Officer, who shall report directly to the Chief Executive Officer, shall be responsible for leading, directing, and coordinating the human resources, communications, legal and compliance, environmental and sustainability functions of the Company, providing the organization with strategic, holistic, timely, and efficient management and services in the areas of organizational development systems and processes, workforce planning, talent acquisition and development, total rewards management, labor relations, line human relations partnership, human relations services, corporate advocacy and communication, legal and compliance strategy and support, over-all corporate governance, environmental advocacy and sustainability.

SECTION 13. The Board shall appoint a Compliance Officer, who shall have the rank of at least Senior Vice-President, highest ranking officer or head of a department, or an equivalent position with adequate stature and authority in the Corporation. The Compliance Officer shall report directly to the Board and shall: (a) ensure proper onboarding of new Directors; (b) ensure the attendance of Board members and key Officers to relevant trainings; (c) monitor, review, evaluate and ensure the compliance by the Corporation, its Officers and Directors with the relevant laws, the Manual and the rules and regulations of regulatory agencies; (d) ensure the integrity and accuracy of all documentary submissions to regulators; (e) appear before the Commission upon summon on similar matters that need to be clarified by the same; (f) collaborate with other departments to properly address compliance issues, which may be subject to investigation; (g) 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; (h) identify, monitor, and control compliance risks; and (i) perform such other duties and responsibilities as may be provided by the Commission.

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.

SECTION 15. The Executive Vice-President(s) and the Senior 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 16. 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 17. 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.”

RESOLVED FINALLY, that the stockholders of the Corporation approve, as they hereby approve, the following amendments to Article VII of the Amended By-Laws:

“Article VII
PROXIES

SECTION 1. Any Stockholder may be represented by proxy at any meeting of the Stockholders. Subject to the rule on proxies and information statements under pertinent laws and rules, the proxy must be in writing, submitted to the Corporate Secretary at least **seven (7)** days before the meeting, and be substantially in the following form:

xxx xxx xxx”

Based on the votes received, the votes on the adoption of Stockholders’ Resolution No. 2023/2024-005 were as follows:

Vote	Number of votes	Percentage of shares represented
For	3,624,353,296	99.99%
Against	0	0.00%
Abstain	0	0.00%
Total	3,624,353,296	99.99%

Given the voting results, the Chairman declared that the resolution is deemed approved, and the proposed amendments to the Articles II, III, IV, and VII of the Amended By-Laws are adopted.

X. ELECTION OF DIRECTORS

The Chairman proceeded to the next order of business, which was the election of the members of the Board for the year 2023 to 2024.

The Corporate Secretary read out the following names of the nine (9) nominees for election to the Board:

**YUN GIE PARK
JUN BEOM LIM
HYO JIN SONG
JIN PYO AHN
FREDERICK D. ONG**

**PARINYA KITJATANAPAN
VISHAL MALIK
OSCAR S. REYES (Independent Director)
RAFAEL M. ALUNAN III (Independent Director)**

The Corporate Secretary reported that the Chairman, Mr. Reyes, and the Vice-Chairman, and Mr. Alunan have served on the Company's Board since 2007 and have consistently been re-elected until present, and have again been nominated to be elected this year. The Corporate Secretary noted that under the SEC's Code of Corporate Governance for Public Companies and Registered Issuers, if an independent director who has served for a cumulative term of nine (9) years from 2012 is intended to be re-elected to the Board, the Board shall provide meritorious justifications and seek stockholder approval during the annual stockholders' meeting.

In compliance with this requirement, the Board, through Mr. Ong, presented the following justifications for the nomination and re-election of the Messrs. Reyes and Alunan as independent directors of the Company:

- (a) Messrs. Reyes and Alunan possess the necessary qualifications and stature which enable them to participate in the deliberations of the Company's Board competently and actively;
- (b) Messrs. Reyes and Alunan's service on the Company's Board since 2008 has not impaired their ability to act independently and objectively, as they are able to actively lead discussions and weigh differing perspectives on the Company's operations and organization during meetings of the Board and the committees;
- (c) Messrs. Reyes and Alunan also serve on the boards of other publicly-listed companies, public companies, non-profit organizations, and other entities, which provides them opportunities to gain a broad view of the Philippine economy and the business sector, including the latest developments thereon, thus ensuring that their perspectives on issues are not limited to the industry within which the Company operates. In this respect, and on the other hand, the other regular non-executive members of the Company's Board, who are based abroad, provide an in-depth commercial and technical, as well as global, view of the industry;
- (d) Messrs. Reyes and Alunan's extensive knowledge and understanding of the Company's business, operations, and organization allow them to: make insightful, constructive, and practicable comments on Management's plans and reports while at the same time staying mindful of the Company's past experiences, and ask the necessary questions and clarifications before approval or disapproval of proposed corporate acts; and
- (e) The other regular non-executive members of the Company's Board have had relatively shorter terms and do not serve on the Board for long durations, which ensure that different perspectives and an appropriate balance of skills and experience are always present in the composition of the Company's Board.

The Chairman confirmed that the Nomination and Governance Committee of the Board had passed upon the qualifications and business experience of all nine (9) nominees, including the two (2) nominees for independent director, and ascertained that the nominees possess all the qualifications and suffer none of the disqualifications for election to the Board. The Nomination and Governance Committee had approved and certified their inclusion in the Final List of Candidates for election to the Board for the year 2023 to 2024. The Chairman also confirmed that all the nominees had given their consent to their respective nominations.

The Chairman then requested the Corporate Secretary to report on the results of the voting for the election of the directors. The Corporate Secretary reported and certified that, based on the votes received, each of the nominees for directors has garnered at least 3,624,292,286 votes, which is greater than majority of the outstanding stock of the Company. The final number of votes garnered by each nominee are as follows:

FOR APPROVAL BY THE STOCKHOLDERS AT THE 2024 ANNUAL STOCKHOLDERS' MEETING

Nominee	Votes		
	For	Against	Abstain
Yun Gie Park	3,624,353,296	0	0
Jun Beom Lim	3,624,353,296	0	0
Hyo Jin Song	3,624,353,296	0	0
Jin Pyo Ahn	3,624,353,296	0	0
Frederick D. Ong	3,624,353,296	0	0
Parinya Kitjatanapan	3,624,353,296	0	0
Vishal Malik	3,624,353,296	0	0
Rafael M. Alunan III	3,624,353,296	0	0
Oscar S. Reyes	3,624,353,296	0	0

The Corporate Secretary presented Stockholders' Resolution No. 2023/2024-006, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2023/2024-006

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") elect, as they hereby elect, the following nominees as members of the Board of Directors of the Corporation for the year 2023 to 2024:

1. YUN GIE PARK
2. JUN BEOM LIM
3. HYO JIN SONG
4. JIN PYO AHN
5. FREDERICK D. ONG
6. PARINYA KITJATANAPAN
7. VISHAL MALIK
8. OSCAR S. REYES (Independent Director)
9. RAFAEL M. ALUNAN III (Independent Director)

Given the voting results, the Chairman declared that all nine (9) nominees are elected as members of the Company's Board for the year 2023 to 2024.

XI. APPOINTMENT OF EXTERNAL AUDITOR FOR 2023 TO 2024

The Chairman proceeded to the appointment of the Company's external auditor for the year 2023 to 2024. He requested the incumbent Chairman of the Board's Audit Committee, Mr. Alunan, to convey the recommendation of the Committee on the matter.

Mr. Alunan reported that the Audit Committee had reviewed the performance of the Company's present external auditor, R.G. Manabat & Co. (a member firm of the KPMG network of independent firms affiliated), over the past year and is satisfied with its performance. Mr. Alunan confirmed that the Board is endorsing the re-appointment of R.G. Manabat & Co. as the Company's external auditor for the year 2023 to 2024.

The Corporate Secretary presented Stockholders' Resolution No. 2023/2024-007, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2023/2024-007

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") approve, as they hereby approve, the appointment of R.G. Manabat & Co. (KPMG Philippines) as the Corporation's external auditor for the year 2023 to 2024.

FOR APPROVAL BY THE STOCKHOLDERS AT THE 2024 ANNUAL STOCKHOLDERS' MEETING

Based on the votes received, the votes on the adoption of Stockholders' Resolution No. 2023/2024-007 were as follows:

Vote	Number of votes	Percentage of shares represented
For	3,624,353,296	99.99%
Against	0	0.00%
Abstain	0	0.00%
Total	3,624,353,296	99.99%

Given the voting results, the Chairman declared that the resolution is deemed approved, and R.G. Manabat & Co. (KPMG Philippines) is re-appointed as the Company's external auditor for the year 2023 to 2024.

XII. OTHER MATTERS

The Chairman inquired if there were any other matters to be taken up at the meeting, or if there were any questions regarding the earlier agenda items. There being no other such matters, he requested the Corporate Secretary to read out the questions and comments sent through email, together with the names of the stockholders who sent them. The Chairman requested Mr. Ong to respond to the questions. The Chairman further noted that any questions and comments not taken up during this meeting will be responded to by email.

Ms. Cecilia R. Duguran asked if the Management sees a sustained trend towards releasing more zero-sugar/no sugar products this year. She also asked what Filipino consumers can look forward to as part of the product portfolio. Mr. Ong responded that market studies conducted in the country and overseas show that consumers have become more mindful of their dietary choices, and this cascades to their options in beverages. From the Company's recent experience in launching Gatorade No Sugar, Management found that Filipino consumers are keen to embrace healthier products that do not compromise flavor and quality for their health benefits. With PepsiCo and Lotte, the Company continues to explore what products can be effectively delivered to customers in the country.

The next question came from Ms. Jocelyn P Amado, who asked how the renewed focus on ESG affect operations. Mr. Ong responded that the Company has always championed causes centered on its people, its profitability, and the planet. The recent shift towards a more concerted ESG strategy allows the Company to create more than stakeholder value. This intensified effort on ESG programs helps make even better-informed decisions on long-term facilities investments, talent attraction and retention, energy and resource conservation, to name a few areas. Mr. Ong then stated that he is confident that with a strong ESG team, led by the Company's Chief ESG Officer, Atty. Carina Bayon, stakeholders can look forward to more engaging and empowering initiatives that further our shared values and interests.

The final question came from Mr. Dominador T. Torres III. He asked about the Company's top business priorities in a post-pandemic economy. Mr. Ong responded that, earlier in the meeting, he shared the Company's transformation priorities starting this year to leap forward in a post-pandemic world. To summarize, the Company (a) is further refocusing its product portfolio to better serve clients and customers with clearer, more consistent brand positioning; (b) continues to calibrate our go-to-market strategy through digitalization and trade optimization; and (c) develops initiatives that help reduce expenses without compromising productivity and effectiveness. These pressing matters are what the Company will concentrate on to boost and future-proof its business.

XIII. ADJOURNMENT

There being no further matters to discuss, the Chairman adjourned the meeting and informed the stockholders that the minutes of the meeting will be posted on the Company's website within five (5) business days.

Kristine Ninotschka L. Evangelista
Corporate Secretary

Attest:

Oscar S. Reyes
Chairman