



REPUBLIC OF THE PHILIPPINES  
**SECURITIES AND EXCHANGE COMMISSION**  
SEC Building, EDSA, Greenhills  
City of Mandaluyong, Metro Manila

Company Reg. No. 160968

**CERTIFICATE OF FILING  
OF  
AMENDED BY-LAWS**

**KNOW ALL PERSONS BY THESE PRESENTS:**

**THIS IS TO CERTIFY** that the Amended By-Laws of

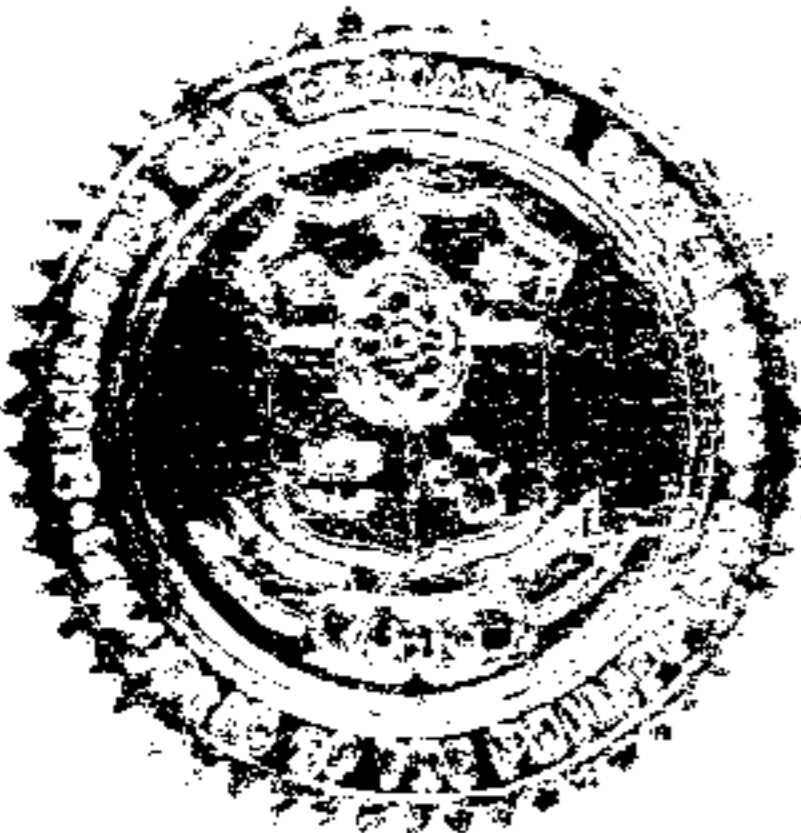
**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

copy annexed, adopted on November 08, 2010 by a majority vote of the Board of Directors and on December 15, 2010 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and majority of the said Board was approved by the Commission on this date pursuant to the provisions of Section 48 of the Corporation Code of the Philippines Batas Pambansa Blg. 68, approved on May 1, 1980, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Mandaluyong City, Metro Manila, Philippines, this 22<sup>nd</sup> day of December, Twenty Ten.

  
**BENITO A. CATARAN**  
Director

Company Registration and Monitoring Department



**AMENDED BY - LAWS  
OF  
PEPSI-COLA PRODUCTS PHILIPPINES, INC.**  
(SEC Registration No. 160968)

**Article I  
STOCK**

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 2. Transfers of stock shall be made only upon the delivery of the certificate properly endorsed by the owner or his attorney-in-fact or other person legally authorized to make such transfer. No share of stock against which the Corporation holds an unpaid claim shall be transferable on the books of the Corporation.

SECTION 3. No certificate of stock shall be issued to a subscriber until the full amount of his subscription, together with interest and expenses (in case of delinquent shares), if any is due, has been paid to the Corporation.

The unpaid subscriptions of the Corporation shall not be charged any interest unless the same have been declared delinquent by the Board pursuant to call made in accordance with law or pursuant to the terms of the subscription agreement.

SECTION 4. Treasury stock shall be held subject to disposal by the Board of Directors or the stockholders of the Corporation (each, a "Stockholder"), as the case may be, and shall neither vote nor participate in dividends while held by the Corporation.

SECTION 5. The stock and transfer books may be closed as the Board of Directors may from time to time determine for a period not exceeding twenty (20) days before the annual or any special meeting of Stockholders or before the day appointed for the payment of any dividend, or before any date on which rights of any kind or in connection with which the stock of the Corporation are to be determined or exercised; provided, however, that in lieu of closing the said books, the Board of Directors may fix in advance a day as the record date for the determination of Stockholders to be entitled to have or exercise the right to receive notices, to vote, to receive dividends, or to receive or exercise any such rights. In the event that the stock and transfer books are to be closed, the Secretary may be directed by the Board of Directors to give notice of such closing.

## Article II STOCKHOLDERS

SECTION 1. The annual meeting of Stockholders shall be held in Metro Manila Λ on the last Friday of May of each year Λ (which shall not be a legal holiday) or, if it be a legal holiday, on the business day immediately preceding it Λ. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 4. The election of Directors of the Corporation shall be held at the annual meeting of the Stockholders each year. Λ No delinquent stock shall be voted. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 5. A quorum at any meeting of the Stockholders shall consist of the Stockholders representing a majority of the outstanding capital stock of the Corporation, and a majority of the entire outstanding stock of the Corporation shall be necessary to decide any matter that may come before a meeting, unless otherwise provided by the Articles of Incorporation or by law.

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;
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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 7. (a) Subject to the relevant provisions of applicable law and the rules on independent directors under pertinent laws and regulations,  $\wedge$  the Corporation shall be managed by a Board of such number of directors as may be fixed in the Articles of Incorporation, each of whom shall be a Stockholder and who shall be elected by the Stockholders for a term of one year and shall serve until the election and acceptance of their duly qualified successors.

$\wedge$

(b) A Stockholder shall be entitled to nominate the replacement(s) for the director(s)  $\wedge$  who were nominated by such Stockholder or 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.

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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,  $\wedge$  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: *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

- (i) which results directly or indirectly in a change of the management control of the Corporation; or
- (ii) which results directly or indirectly in a Prohibited Transferee acquiring ten percent (10%) or more of ownership control of the Corporation. "Prohibited Transferee" is defined to mean any person or entity which engages directly or indirectly in the manufacture, bottling, sale, or

distribution anywhere in the world of any product which competes with any of the beverages covered by the Appointments; or

- (iii) which results directly or indirectly in 20% or more of the Corporation's share being acquired by any natural or juridical person (or persons acting together) not listed in the Appointments.

Each Stockholder agrees not to enter into any such sale, transfer, change of ownership or other disposition referred to in this Section 8, Article II of the By-Laws, except if such sale, transfer, change of ownership or other disposition is by way of an on-market sale where the identity of the buyer (aa) would not generally be known to a seller undertaking such a transaction; and (bb) is not actually known by the Stockholder (provided that this latter proviso is without prejudice to the rights of the parties to the Appointments under the Appointments). For purposes of these By-Laws, and to the extent applicable, the term "PepsiCo" shall include all its affiliates including but not limited to PepsiCo Global Investments II B.V., PepsiCo Global Investments B.V., Quaker Global Investments B.V., and Pepsi-Cola Far East Trade Development Co., Inc., any of their successors-in-interest, or any other entity utilized by PepsiCo to hold its interest in the Corporation.

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SECTION 9. Any transfer, encumbrance or other disposition of shares in the Corporation which does not comply with these By-Laws, as amended, shall be null and void *ab initio* and shall not be registered or registrable in the books of the Corporation. Λ

### Article III DIRECTORS

SECTION 1. The business Λ 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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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 Λ determine. *(As amended during the meetings of the*

*Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 4. Notices of regular and special meetings of the Board of Directors shall be given to each Director by personal delivery, ^ 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 ^. All proceedings had and business transacted without such notice shall be null and void *ab initio* unless all Directors waive such notice. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 6. The Board of Directors may hold meetings, after due notice, by conference telephone call, video conference, or such other allowable electronic means to the extent permitted by and under the rules and requirements established by applicable Philippine law, and any resolution adopted by the Board of Directors at such telephonic or electronic meeting with a quorum in attendance will be equally valid as resolutions that are adopted at a meeting of the Board of Directors held in person; provided, that written confirmation of such resolutions are duly signed by the number of Directors that would be required for a vote at a Board meeting held in person.

SECTION 7. The Board of Directors shall elect the officers of the Corporation at its first meeting after the elections of Directors each year, to hold office for one (1) year or until their successors are duly elected and qualified. Vacancies shall be filled for the unexpired term by special election at any meeting of the Board of Directors at which a quorum is present.

SECTION 8. The Board of Directors may remove at any time, with or without cause, any officer elected as provided for in the preceding section, at any regular or special meeting of the Board.

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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 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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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  $\Delta$  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  $\Delta$  regularly and shall review the detailed financial and operating performance of the Corporation  $\Delta$ . 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/her 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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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 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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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 Manuel 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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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 Λ 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 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 compensation that may be paid to its directors and top four (4) management officers for the previous fiscal year; 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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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, 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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 11. The members of the Board of Directors, the Corporate Secretary and the Assistant Corporate Secretary shall be paid per diems, transportation and representation allowances and/or other similar compensation as the Board may

determine and fix from time to time. The members of the Board of Directors, as well as the Corporate Secretary and the Assistant Corporate Secretary, may also be granted additional compensation  $\Lambda$  in such amount and manner as the Board may from time to time fix and determine; provided, further, that the Directors who serve as independent directors, officers or employees of the Corporation may receive such additional compensation as the Board of Directors may determine; and provided, further, that Directors who are appointed to serve on the Executive Committee and other standing committees of the Corporation, may each be paid such additional compensation as the Stockholders may determine.

SECTION 12. For so long as the Appointments provide for and remain effective, the affirmative vote of 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) Expanding the range of products to be produced, sold or distributed by the Corporation to include any product not licensed to the Corporation by Pepsico  $\Lambda$  or its affiliate without the prior affirmative written consent of PepsiCo.  $\Lambda$

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  $\Lambda$  shall be required for the validity of any of the following acts: *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

(1) Sale of the business or any merger of the Corporation;

(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; *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

(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;

(5) Issuance of any guarantee by the Corporation other than in the ordinary course of business and, even if in the ordinary course of business, to any shareholder holding at least 5% of the Corporation's issued and outstanding capital stock or any affiliate of any such shareholder  $\Lambda$ ;

(6) Any change in the capital structure of the Corporation or any capital expenditure unless provided for in the relevant Annual Operating Plan;

(7) Any related party transaction involving the Corporation and any shareholder holding at least 5% of the Corporation's issued and outstanding capital stock or its affiliate  $\Delta$  which are (i) other than on commercial arms length terms or in the ordinary course of business  $\Delta$ , or (ii) are in excess of the equivalent of US\$1,000,000.00;

(8) Granting by the Corporation of any warrants, conversion rights or 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;

(9) Declaration or payment of dividends other than in accordance with the policy that  $\Delta$  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  $\Delta$  the applicable Operating Targets as set out in the then current Annual Operating Plan; *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

(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  $\Delta$  recommended by the Compensation and Remuneration Committee of the Corporation; *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

(11) 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.

### **Article III-A INDEPENDENT DIRECTORS**

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

SECTION 2. An Independent Director is a person who, apart from his fees and shareholdings, is independent of management and free from any business or other

relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in the Corporation and includes, among others a person who:

- (1) Is not a director or officer of the Corporation or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing). For purposes of this Article, "related company" means another company which is : (a) its holding company; (b) its subsidiary; or (c) a subsidiary of its holding company; and "substantial shareholder" means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security;
- (2) Does not own more than two percent (2%) of the shares of the Corporation and/or its related companies, or any of its substantial shareholders;
- (3) Is not related to any director, officer or substantial shareholder of the Corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
- (4) Is not acting as a nominee or representative of any director or substantial shareholder of the Corporation, and/or any of its related companies and/or any of its substantial shareholders;
- (5) Has not been employed in any executive capacity by the Corporation, any of its related companies and/or by any of its substantial shareholders within the last five (5) years;
- (6) Is not retained, either personally or through his firm or any similar entity, as professional adviser, by the Corporation, any of its related companies and/or any of its substantial shareholders, within the last five (5) years; or
- (7) Has not engaged and does not engage in any transaction with the Corporation and/or with any of its related companies and/or with any of its substantial shareholders, whether by himself and/or with other person and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms' length and are immaterial.

**SECTION 3.** In addition to 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, an independent director shall likewise be disqualified during his tenure under the following instances or causes:

- (1) He becomes an officer or employee of the Corporation where he is an independent director;

- (2) His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of the Corporation where he is an independent director; or
- (3) Fails, without any justifiable cause, to attend at least 50% of the total number of Board meetings during his incumbency unless such absences are due to justifiable causes.

**SECTION 4.** The nomination of independent directors shall be conducted by the Nomination Committee prior to a Stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the nominees. The Nomination Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors. After the nomination, the Nomination Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under applicable regulations, which list, shall be made available to the Securities and Exchange Commission (the "Commission") and to all Stockholders through the filing and distribution of the Information Statement or Proxy Statement in accordance with applicable rules and regulations or in such other reports that the Corporation is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent directors. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual Stockholders meeting.

**SECTION 5.** Except as those required and subject to pertinent existing laws, rules and regulations of the Commission, the conduct of the election of independent directors shall be made in accordance with the standard election procedures of the Corporation or its By-Laws. It shall be the responsibility of the Chairman of the Meeting to inform all Stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the Stockholders' meeting. Specific slots for independent directors shall not be filled-up by unqualified nominees. In case of failure of election for independent directors, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.

**SECTION 6.** In case of resignation, disqualification or cessation of independent directorship and only after notice has been made with the Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the Committee; otherwise, said vacancies shall be filled by the Stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office.

## 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 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. 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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

SECTION 2. The Chairman of the Board shall preside at all meetings of the Board of Directors and Stockholders.

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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

SECTION 7. The Chief Operating Officer shall be in charge of the overall sales, marketing, and operations of the Corporation including Δ 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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

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 Δ 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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

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. (As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

#### Article V FISCAL YEAR

SECTION 1. The Fiscal Year of the Corporation shall commence with the opening of business on the 1<sup>st</sup> day of January of each calendar year, and shall close on the 31st day of December of the same year. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

#### Article VI



**SEAL**

SECTION 1. The Corporate Seal of the Corporation shall consist of two concentric circles between which shall appear the name of the Corporation and in the center shall be inscribed the words "Incorporated 1989-Philippines".

**Article VII  
PROXIES**

SECTION 1. Any Stockholder may be represented by proxy at any meeting of the Stockholders. A 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 three (3) days before the date of the meeting, and be substantially in the following form:

I hereby name, constitute and appoint \_\_\_\_\_ as my proxy to act and vote for me at the \_\_\_\_\_ meeting of the stockholders of the PEPSI-COLA PRODUCTS PHILIPPINES, INC. which will be held at Metro Manila, Philippines, on \_\_\_\_\_, 19\_\_\_\_, or at any adjournment thereof, in the transaction of any and all business that may properly come before said meeting or meetings according to the number of votes I would be entitled to cast if personally present.

In WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ at \_\_\_\_\_.

Witness:

\_\_\_\_\_

\_\_\_\_\_  
Stockholder's Signature

**Article VIII**

**INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The Corporation shall indemnify every director or officer, his heirs, executors and administrators, against all costs and expenses reasonably incurred by such person in connection with any civil, criminal, administrative or investigative action, suit or proceeding (other than an action by the Corporation) to which he may be, or is made a party by reason of his being or having been a director or officer of the Corporation, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct.

In the event of a settlement or compromise, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Corporation is advised by counsel that the person to be indemnified did not commit a breach of duty as such director or officer.

The amount payable by way of indemnity shall be determined and paid pursuant to a resolution adopted by a majority of the members of the Board of Directors.

The costs and expenses incurred in defending the aforementioned action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such

action, suit or proceedings as authorized in the manner provided for in the preceding paragraph upon receipt of an undertaking by or on behalf of the director or officer to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this Article.

**Article IX**  
**AMENDMENTS**

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. *(As amended during the meetings of the Board of Directors and Stockholders held on 8 November 2010 and 15 December 2010, respectively)*

ADOPTED this 29<sup>th</sup> day of March 1989, by the undersigned Stockholders holding all the voting stock of the Corporation, in Makati City, Metro Manila, Philippines.

(SGD.) JESUS MANALASTAS  
Stockholder

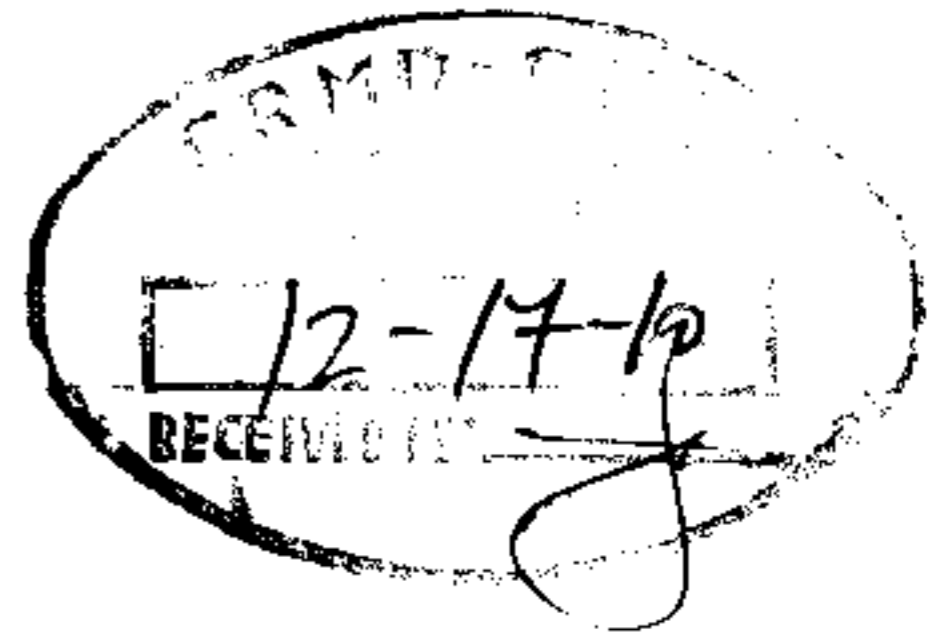
(SGD.) PABLO A. DE BORJA  
Stockholder

(SGD.) EDMUNDO L. TAN  
Stockholder

(SGD.) EDWARD S. SERAPIO  
Stockholder

(SGD.) JOSEPH T. COHON  
Stockholder

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY ) S.S



### DIRECTORS' CERTIFICATE

We, the members of the Board of Directors of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** (the "Corporation") and the Corporate Secretary thereof, hereby certify that at the special meeting of the Board of Directors of the Corporation on 8 November 2010 at the 21<sup>st</sup> Floor LKG Tower, 6801 Ayala Avenue, Makati City and via teleconference from the 20<sup>th</sup> Floor Caroline Center, 28 Yun Ping Road, Causeway Bay, Hong Kong, 25<sup>th</sup> Floor Emporium Tower, 622 Sukhumvit Road, Klongton, Klongtoey, Bangkok, Thailand, 700 Anderson Hill Road, Purchase, New York, U.S.A., and 50-2 Jamwon-dong, Seocho-gu, Seoul, Korea, at which meeting all of the Directors were present and acting throughout, the following resolutions were unanimously approved:

#### Approval of Amendments to the Articles of Incorporation

##### **Board Resolution No. 2009/2010-062**

**RESOLVED**, that all the members of the Board of Directors 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**

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

X X X.”

“(c) 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 △ 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 Λ 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 △ recommended by the Compensation and Remuneration Committee of the Corporation;’

x x x.”

### **Approval of Amendments to the By-Laws**

#### **Board Resolution No. 2009/2010-063**

**RESOLVED**, that all the members of the Board of Directors 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:

**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;
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.”

**“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  $\Delta$  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,  $\Delta$  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  $\Delta$ . 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 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  $\Delta$  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  $\Delta$  regularly and shall review the detailed financial and operating performance of the Corporation  $\Delta$ . 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/her 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 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 compensation that may be paid to

its directors and top four (4) management officers for the previous fiscal year and; 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, and 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 and 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 Λ 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. 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 Δ 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  $\Delta$  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.”

“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  $\Delta$  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.”

**“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 1<sup>st</sup> 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."

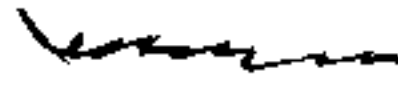
**IN WITNESS WHEREOF**, we have set our hands this 8th day of November 2010 in Makati City, Metro Manila, Philippines.

| Name   | Signature  | Competent Evidence of Identity/<br>Date & Place Issued             |
|--|--|--|
| Partha Chakrabarti<br><i>Director</i>                |  | Passport No. Z1751780, issued on 26 February 2008 in Manila        |
| Yeon-Suk No<br><i>Director</i>                       |  | Passport No. M83102845, issued on 13 November 2008 in Seoul, Korea |
| Rafael M. Alunan III<br><i>Director</i>              |  | Passport No. UU0375595, issued on 28 December 2006 in Manila       |
| Oscar S. Reyes<br><i>Director</i>                    |  | Passport No. XX2143931, issued on 29 September 2008 in Manila      |
| Ma. Rosario C. Z. Nava<br><i>Corporate Secretary</i> |  | Passport No. XX1856523, issued on 23 August 2008 in Manila         |

NOV 30 2010

**SUBSCRIBED AND SWORN** to before me this 8th day of November 2010 in Makati City, Metro Manila, Philippines, affiants exhibiting to me competent evidence of their identity as abovestated.

Doc. No. 251 ;  
Page No. 51 ;  
Book No. 223 ;  
Series of 2010.

  
Atty. LOPE M. VELASCO  
NOTARY PUBLIC  
Until Dec. 31, 2011  
Appl. No. M-117, Makati City  
IBP # 803499 - Pasig City 12/21/09  
PTR # 2087649 - Makati 01/04/10  
TIN 212-965-989  
S. C. VELASCO & CO. INC.  
6/F Jaka Center, 117th Ave.,



REPUBLIKA NG PILIPINAS

EMBASSY OF THE PHILIPPINES

SEOUL

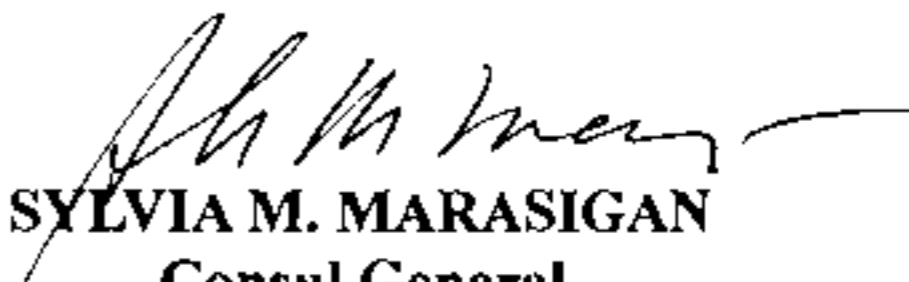
Philippine Embassy )  
Consular Section )s.s  
Seoul, Republic of Korea )

**CERTIFICATE OF AUTHENTICATION**

I, SYLVIA M. MARASIGAN, Consul General in Seoul, Republic of Korea, duly commissioned and qualified, do hereby certify that AHN SUN HEE, before whom the annexed document has been executed was, at the time he/she signed the annexed certificate, an AUTHENTICATION OFFICER, MINISTRY OF FOREIGN AFFAIRS AND TRADE in the Republic of Korea and verily believe that his/her signature affixed thereto is genuine.

As for the contents of the annexed document, the Embassy assumes no responsibility therefor,

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of the Embassy of the Republic of the Philippines in Seoul, Republic of Korea this 15th day of December 2010

  
SYLVIA M. MARASIGAN  
Consul General

Doc. No.: 9535  
Page No.: 365  
Book No.: 1  
Series No.: 2010  
Fee Paid: W33,550  
O.R. No.: 5036238  
Service No.: 39535

DIRECTOR'S CERTIFICATE ISSUED BY PEPSI-COLA PRODUCTS PHILIPPINES, INC.



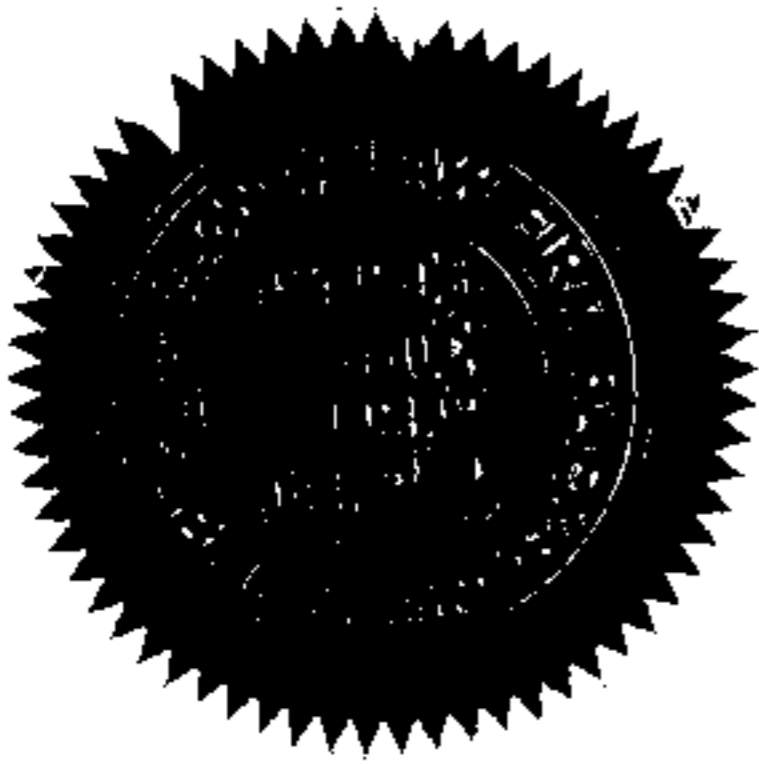
公證認可 百想  
法務法人  
Baeksang

[별지 제41호서식]

대문)598-2800, (동문)2051-1265

Registered No. 2010 - 2900

# NOTARIAL CERTIFICATE



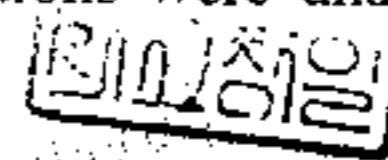
Lawfirm **Baeksang**

3F, Yeoksam P B/D, 824-17, Yeoksam-1Dong,  
Gangnam-Gu, Seoul, 135-934, Korea

REPUBLIC OF THE PHILIPPINES)  
 ) S.S

### DIRECTORS' CERTIFICATE

We, the members of the Board of Directors of PEPSI-COLA PRODUCTS PHILIPPINES, INC. (the "Corporation") and the Corporate Secretary thereof, hereby certify that at the special meeting of the Board of Directors of the Corporation on 8 November 2010 at the 21<sup>st</sup> Floor LKG Tower, 6801 Ayala Avenue, Makati City and via teleconference from the 20<sup>th</sup> Floor Caroline Center, 28 Yun Ping Road, Causeway Bay, Hong Kong, 25<sup>th</sup> Floor Emporium Tower, 622 Sukhumvit Road, Klongton, Klongtoey, Bangkok, Thailand, and 50-2 Jamwon-dong, Seocho-gu, Seoul, Korea, at which meeting all of the Directors were present and acting throughout, the following resolutions were unanimously approved:



#### Approval of Amendments to the Articles of Incorporation

#### Board Resolution No. 2009/2010-062

**RESOLVED**, that all the members of the Board of Directors 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

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,  $\Delta$  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 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  $\Delta$  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 Δ 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."

### Approval of Amendments to the By-Laws

#### **Board Resolution No. 2009/2010-063**

**RESOLVED**, that all the members of the Board of Directors 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:

**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 Δ on the last Friday of May of each year Δ (which shall not be a legal holiday) or, if it be a legal holiday, on the business day immediately preceding it Δ."

"**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. Δ 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;
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.”

“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 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  $\Delta$  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  $\Delta$  regularly and shall review the detailed financial and operating performance of the Corporation  $\Delta$ . 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/her 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 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 compensation that may be paid to



its directors and top four (4) ^ management officers for the previous fiscal year ^; 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, ^ 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 ^ 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  $\Delta$  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  $\Delta$  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  $\Delta$  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  $\Delta$  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. 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  $\Delta$  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  $\Delta$  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."

"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  $\Delta$  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."

**"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."


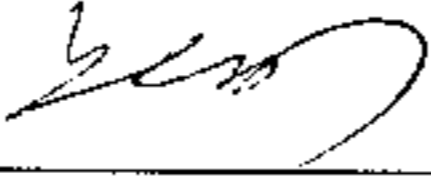
**RESOLVED**, that the fiscal year of the Corporation be changed to 1 January to 31 December of each calendar year, and that Section 1 of Article V be amended to read as follows:

**“SECTION 1.** The Fiscal Year of the Corporation shall commence with the opening of business on the 1<sup>st</sup> 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.”

**IN WITNESS WHEREOF**, we have set our hands this 8th day of November 2010 in Makati City, Metro Manila, Philippines.

| Name   | Signature  | Competent Evidence of Identity/<br>Date & Place Issued             |
|--|--|--|
| Partha Chakrabarti<br><i>Director</i>                |  | Passport No. Z1751780, issued on 26 February 2008 in Manila        |
| Yeon-Suk No<br><i>Director</i>                       |  | Passport No. M83102845, issued on 13 November 2008 in Seoul, Korea |
| Rafael M. Alunan III<br><i>Director</i>              |  | Passport No. UU0375595, issued on 28 December 2006 in Manila       |
| Oscar S. Reyes<br><i>Director</i>                    |  | Passport No. XX2143931, issued on 29 September 2008 in Manila      |
| Ma. Rosario C. Z. Nava<br><i>Corporate Secretary</i> |  | Passport No. XX1856523, issued on 23 August 2008 in Manila         |

**SUBSCRIBED AND SWORN** to before me this 8th day of November 2010 in Makati City, Metro Manila, Philippines, affiants exhibiting to me competent evidence of their identity as abovestated.

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2010.

IN WITNESS WHEREOF, we have set our hands this 8<sup>th</sup> day of November 2010 in Hong Kong, SAR.

| Name                               | Signature | Competent Evidence of Identity/<br>Date & Place Issued                           |
|------------------------------------|-----------|--|
| Umran Beba<br><i>Director</i>      |           | Passport No. TR-C 404550,<br>issued on 17 February 2010<br>in Istanbul, Turkey   |
| John L. Sigalos<br><i>Director</i> |           | Passport No. 445195865,<br>issued on 14 July 2008<br>in United States of America |

WITNESS to the above signatures of Umran Beba and John L. Sigalos.

**Notary Public, Hong Kong SAR**

[Name of Firm]

[Address]



IN WITNESS WHEREOF, I have set my hand this 8th day of November 2010 in Bangkok, Thailand.



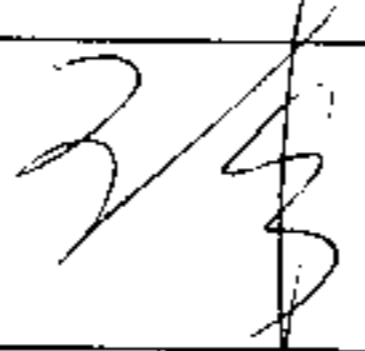
| Name                          | Signature | Competent Evidence of Identity/<br>Date & Place Issued/<br>Expiry Date      |
|-------------------------------|-----------|---|
| Qasim Khan<br><i>Director</i> |           | Passport No. _____,<br>issued on _____<br>in _____<br>and expiring on _____ |

WITNESS to the above signature of Qasim Khan.

\_\_\_\_\_  
**Notary Public, Bangkok, Thailand**  
 [Name of Firm]  
 [Address]

*[Faint, illegible text]*

IN WITNESS WHEREOF, we have set our hands this 8th day of November 2010 in Seoul, Korea.

| Name   | Signature  | Competent Evidence of Identity/<br>Date & Place Issued/<br>Expiry Date    |
|--|--|---|
| Hwang Chung<br><i>Chairman of the Board/Director</i> |    | Passport No. JR4016155,<br>issued on 30 June 2008<br>in Seoul, Korea      |
| Inho Kim<br><i>Director</i>                          |   | Passport No. M88573382,<br>issued on 31 December<br>2009 in Seoul, Korea  |
| Nam Kuen Lee<br><i>Director</i>                      |  | Passport No. M37444435,<br>issued on 30 September<br>2008 in Seoul, Korea |

WITNESS to the above signatures of Hwang Chung, Inho Kim and Nam Kuen Lee.

\_\_\_\_\_  
**Notary Public, Seoul, Korea**  
 [Name of Firm]  
 [Address]



公證認可 百想  
法務法人

Baeksang

[별지 제43호서식]

등부 2010 년 제 2900 호

Registered No. 2010 - 2900

인 증

Notarial Certificate

위 이사회 결의서 에

Chang Young Oh

attorney in fact of

기재된 정 황

Hwang Chung

의 대리인 오 창 영 은

appeared before me and  
admitted said principal's  
subscription to the attached

본직의 면전에서 위 본인이  
서명한 것임을 자인하였다.

Directors' Certificate

2010 년 12 월 01 일  
이 사무소에서 위 인증한다



This is hereby attested on  
this 01st day of December, 2010  
at this office

Lawfirm Baeksang

Belong to Seoul Central District  
Prosecutor's Office  
3F, Yeoksam P B/D, 824-17 Yeoksam-1Dong,  
Gangnam-Gu, Seoul, 135-934, Korea

공증인가 법무법인 백 상

소속서울중앙지방검찰청  
서울시 강남구 역삼1동 824-17  
역삼P빌딩 3층

(Signature of Notary Public)

공증담당변호사

고 창 일

This office has been authorized by  
the Minister of Justice, the  
Republic of Korea to act as  
Notary Public since  
March 4, 2009 under Law No. 8991

公證認可 百想  
法務法人

Baeksang

[별지 제43호서식]

등부 2010 년 제 2900 호

Registered No. 2010 - 2900

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Notarial Certificate

위 이사회 결의서

Chang Young Oh

에

attorney in fact of

기재된

Inho Kim

김 인 호

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소속서울중앙지방법검찰청

서울시 강남구 역삼1동 824-17

역삼P빌딩 3층

공증담당변호사

(Signature of Notary Public)

고 창 일



Ko Chang il

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公證認可 百想  
法務法人

Baeksang

[별지 제43호서식]

등부 2010 년 제 2900 호

Registered No. 2010 - 2900

인 증

Notarial Certificate

위 이사회 결의서 에

Chang Young Oh

attorney in fact of

기재된 이 남 권

Nam Kuen Lee

의 대리인 오 창 영 은

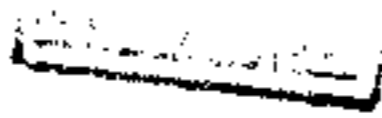
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Directors' Certificate

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this 01st day of December, 2010  
at this office



Lawfirm Baeksang

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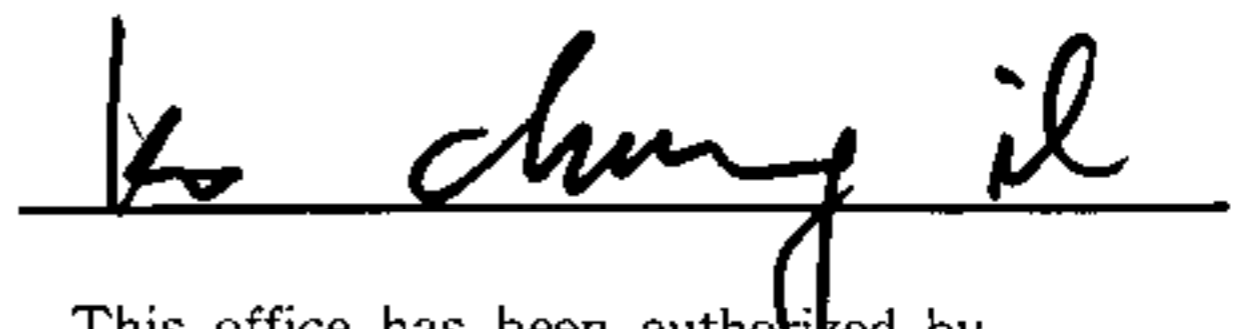
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소속서울중앙지방검찰청  
서울시 강남구 역삼1동 824-17  
역삼P빌딩 3층

공증담당변호사

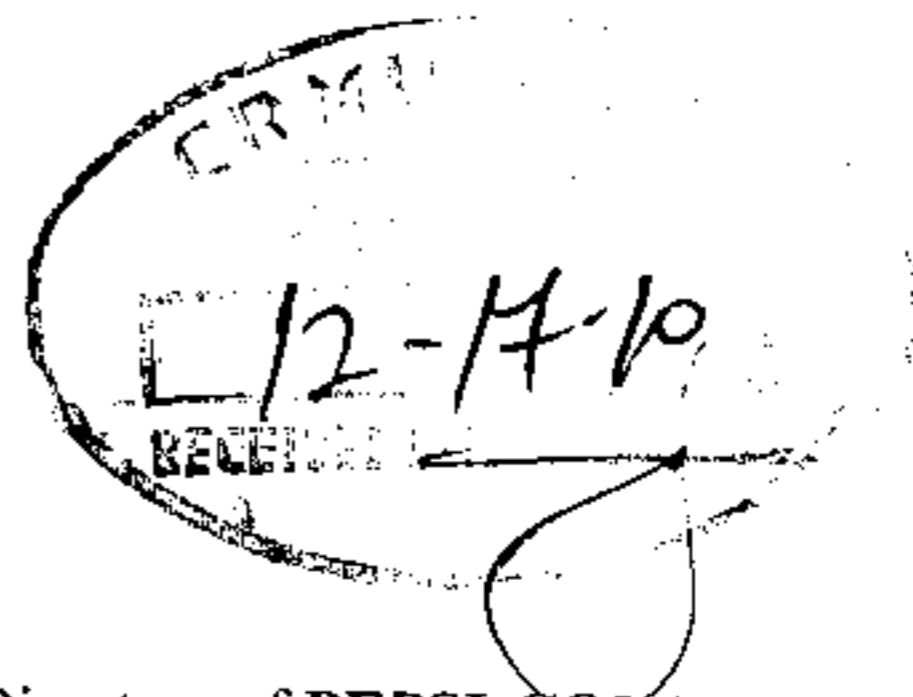
(Signature of Notary Public)

고 창 영 



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the Minister of Justice, the  
Republic of Korea to act as  
Notary Public since  
March 4, 2009 under Law No. 8991

REPUBLIC OF THE PHILIPPINES)  
Muntinlupa City ) S.S



### DIRECTORS' CERTIFICATE

We, constituting a majority of the members of the Board of Directors of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** (the "Corporation") and the Corporate Secretary thereof, hereby certify that at the Annual Stockholders' Meeting of the Corporation held on 15 December 2010 at The Bellevue Manila, North Bridgeway, Filinvest Corporate City, Alabang, Muntinlupa City, at which meeting stockholders owning or holding at least two-thirds (2/3) of the total issued and outstanding capital stock of the Corporation were present and acting throughout, the following resolutions were unanimously approved:

#### Approval of Amendments to the Articles of Incorporation

##### **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

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

x      x      x.”

“(c) 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 △ 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 △ 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  $\wedge$  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  $\wedge$  recommended by the Compensation and Remuneration Committee of the Corporation;’

x x x.”

### **Approval of Amendments to the 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:

**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  $\wedge$  on the last Friday of May of each year  $\wedge$  (which shall not be a legal holiday) or, if it be a legal holiday, on the business day immediately preceding it  $\wedge$ .”

“**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;
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.”

“**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 △ 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, △ 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 △. 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 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  $\wedge$  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  $\wedge$  regularly and shall review the detailed financial and operating performance of the Corporation  $\wedge$ . 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/her 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 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 compensation that may be paid to its directors and top four (4)  $\Delta$  management officers for the previous fiscal year  $\Delta$ ; 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, △ 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 △ 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 △ 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 A 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 ^ 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 ^ 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. 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  $\Delta$  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.”

“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  $\Delta$  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.”

**“SECTION 13.** The Treasurer shall have charge of all monies of the Corporation and shall keep regular books of account therefor. He/Sbe 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.”


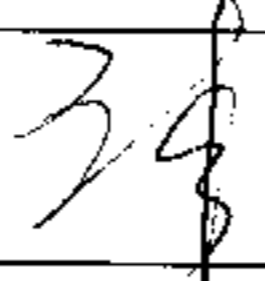




**RESOLVED**, that the fiscal year of the Corporation be changed to 1 January to 31 December of each calendar year, and that Section 1 of Article V be amended to read as follows:

**“SECTION 1.** The Fiscal Year of the Corporation shall commence with the opening of business on the 1<sup>st</sup> day of  $\wedge$  January of each calendar year, and shall close on the  $\wedge$  31st day of  $\wedge$  December  $\wedge$  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.”

**IN WITNESS WHEREOF**, we have set our hands this 15th day of December 2010 in Muntinlupa City, Philippines.


| Name   | Signature  | Competent Evidence of Identity/<br>Date & Place Issued              |
|--|--|---|
| Partha Chakrabarti<br><i>Director</i>                |  | Passport No. Z1751780, issued on 26 February 2008 in Manila         |
|  |  |   |
| Nam Kuen Lee<br><i>Director</i>                      |  | Passport No. M37444435, issued on 30 September 2008 in Seoul, Korea |
| Yeon-Suk No<br><i>Director</i>                       |  | Passport No. M83102845, issued on 13 November 2008 in Seoul, Korea  |
| Rafael M. Alunan III<br><i>Director</i>              |  | Passport No. UU0375595, issued on 28 December 2006 in Manila        |
| Oscar S. Reyes<br><i>Director</i>                    |  | Passport No. XX2143931, issued on 29 September 2008 in Manila       |
| Ma. Rosario C. Z. Nava<br><i>Corporate Secretary</i> |  | Passport No. XX1856523, issued on 23 August 2008 in Manila          |

**SUBSCRIBED AND SWORN** to before me this 15 day of DEC 2010 in Muntinlupa City, Philippines, affiants exhibiting to me competent evidence of their identity as abovestated.

Doc. No. 407 ;  
Page No. 83 ;  
Book No. I ;  
Series of 2010.


  
**ATTY. FEDERICO CLAUDIO G. SANDOVAL**  
Notary Public  
Until December 31, 2011; NC 10-029  
Attorney's Roll No. 45274  
IBP LRN: 07119; 01-08-2008; Rizal  
PTR No. 0532248; 01-25-2010; Muntinlupa City

IN WITNESS WHEREOF, I have set my hand this 15 day of DEC 15 2010  
in Muntinlupa City.

| Name                             | Signature  | Competent Evidence of Identity/<br>Date & Place Issued                     |
|----------------------------------|--|--|
| M. Qasim Khan<br><i>Director</i> |  | Passport No. KG883197,<br>issued on 30 August 2010<br>in Bangkok, Thailand |

**SUBSCRIBED AND SWORN** to before me this 15 day of DEC 15 2010 in  
Muntinlupa City, affiant exhibiting to me competent evidence of his identity as  
abovestated.

Doc. No. 408 ;  
Page No. 83 ;  
Book No. 1 ;  
Series of 2010.

  
ATTY. FEDERICO CLAUDIO G. SANDOVAL  
Notary Public  
Until December 31, 2011; NC 10-029  
Attorney's Roll No. 45274  
IBP LRN: 07119; 01-08-2008; Rizal  
PTR No. 0532248; 01-25-2010; Muntinlupa City



REPUBLIC OF THE PHILIPPINES )  
Muntinlupa City ) S.S.

### SECRETARY'S CERTIFICATE

I, **MA. ROSARIO C.Z. NAVA**, of legal age, Filipino, and with office address at the 7<sup>th</sup> Floor, The Pearlbank Centre, 146 Valero Street, Salcedo Village, Makati City, after having been duly sworn in accordance with law, hereby certify:

1. I am the Corporate Secretary of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with office address at Km. 29 National Road, Tunasan, Muntinlupa City.
2. At the Annual Meeting of the Stockholders of the Corporation held on 15 December 2010 at The Bellevue Manila, North Bridgeway, Filinvest Corporate City, Alabang, Muntinlupa City, at which meeting stockholders owning or holding two-thirds (2/3) of the total issued and outstanding capital stock of the Corporation were present and acting throughout, the following resolutions were duly approved and ratified by said stockholders:

#### Approval / Ratification of Amendments to the Articles of Incorporation

#### 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

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, ^ 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 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 ^ 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 Δ 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."

### Approval / Ratification of Amendments to the 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:

**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 Δ on the last Friday of May of each year Δ (which shall not be a legal

holiday) or, if it be a legal holiday, on the business day immediately preceding it Δ.”

“**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. Δ 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;
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.”

“**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 △ 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, △ 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 △. 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 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 ^. 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/her 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 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 compensation that may be paid to its directors and top four (4)  $\Delta$  management officers for the previous fiscal year  $\Delta$ ; 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,  $\Delta$  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

‘(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 Δ 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. 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  $\Delta$  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  $\Delta$  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."

**“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.”

**“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:

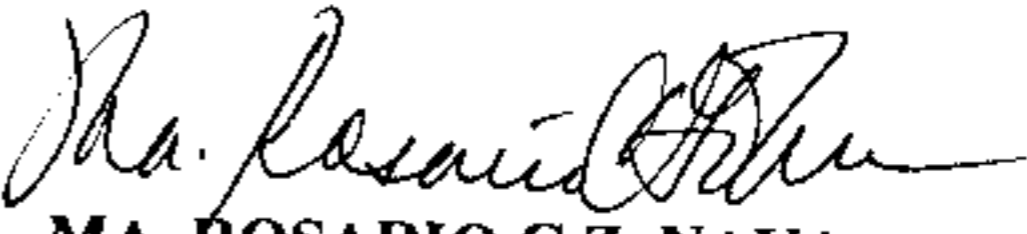
“**SECTION 1.** The Fiscal Year of the Corporation shall commence with the opening of business on the 1<sup>st</sup> day of  $\wedge$  January of each calendar year, and shall close on the  $\wedge$  31st day of  $\wedge$  December  $\wedge$  of the same year.”

**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.”


3. The aforequoted resolution is in accordance with the records of the Corporation and may be relied upon as continuing in full force and effect until a contrary certification is issued by the Corporation.

**IN WITNESS WHEREOF**, I have hereunto affixed my signature this  
 \_\_\_\_\_ in ~~Makati City~~ Makati City

  
**MA. ROSARIO C.Z. NAVA**  
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this DEC 15 2010 in Muntinlupa City having exhibited to me her Passport No. XX1856523 issued on 23 August 2008 in Department of Foreign Affairs, Manila and expiring on 22 August 2013.

Doc. No. 406;  
Page No. 83;  
Book No. 1;  
Series of 2010.

  
ATTY. FEDERICO CLAUDIO G. SANDOVAL  
Notary Public  
Until December 31, 2011; NC 10-029  
Attorney's Roll No. 45274  
IBP LRN: 07119; 01-08-2008; Rizal  
PTR No. 0532248; 01-25-2010; Muntinlupa City

COMPANY DATA MAINTENANCE FORM  
GENERAL / BUSINESS / COMPANY RELATIONSHIP INFORMATION  
(FOR DOMESTIC) COMPANIES ONLY

SEC NO. 160968 FOR SEC TO PROVIDE: MAINTENANCE NO. / / / / / TRANSACTION DATE: / / / / /

FILL UP INSTRUCTIONS -- Type or print legibly. Light shaded boxes are to be filled up by the SEC. Check appropriate boxes.  
FILL UP ONLY THOSE ITEMS FOR WHICH AMENDMENTS OR CHANGES ARE TO BE MADE. Refer to the back of this page for additional instructions.

CURRENT COMPANY NAME (This must be always be provided.)  
**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**  
RESTRICT USE BY OTHERS?  
[ ] - YES  
[ ] - NO

RESERVATION NUMBER \_\_\_\_\_ NEW COMPANY NAME \_\_\_\_\_

GENERAL INFORMATION

COMPANY TYPE [x] DS - DOMESTIC STOCK [ ] DN - DOMESTIC NON-STOCK [ ] DP - DOMESTIC PARTNERSHIP  
CHANGE FROM STOCK TO NON-STOCK? [ ] YES [ ] NO  
CHANGE PRIMARY PURPOSE? [ ] YES [ ] NO

PRINCIPAL OFFICE ADDRESS

**Km. 29 National Road, Brgy. Tunasan, Muntinlupa City**  
AREA CODE / / 6 / 3 / 2 / POSTAL CODE / 1 / 7 / 7 / 3 / TEL. NO. 850-7901 to 20 FAX NO. 850-7929

BUSINESS OFFICE ADDRESS

**Km. 29 National Road, Brgy. Tunasan, Muntinlupa City**  
AREA CODE / / 6 / 3 / 2 / POSTAL CODE / 1 / 7 / 7 / 3 / TEL. NO. 850-7901 to 20 FAX NO. 850-7929

BUSINESS INFORMATION

PARTNERSHIP TYPE [ ] L - LIMITED [ ] G - GENERAL  
TYPE OF ENTERPRISE [X] N - NO SPECIAL REGISTRATION [ ] H - FIA HOLDING [ ] F - FINANCIAL INSTITUTION  
[ ] E - FIA EXPORT [ ] R - FIA REPRESENTATIVE OFF [ ] Z - EPZA-REGISTERED  
[ ] D - FIA DOMESTIC [ ] S - SUBIC REGISTERED [ ] B - BOI-REGISTERED  
INDUSTRY CODE / / / / TERM OF EXISTENCE 50 years END DATE OF EXISTENCE 03 May 2039 FISCAL YEAR END 12/31  
ANNUAL MEETING (For domestic companies only) [ ] F-FIXED (MM/DD) / / / [X]-VARIABLE last Friday of May

NUMBER OF DIRECTORS (if stock co.) Nine (9) TRUSTEES (if non-stock) \_\_\_\_\_ PARTNERSHIP (if partnership) \_\_\_\_\_ STOCKHOLDERS (if stock co.) 639

TYPE OF NON-STOCK CORPORATION TOTAL CONTRIBUTION (Of non-stock companies) \_\_\_\_\_ % OF FOREIGN MEMBERSHIP (Of non-stock companies) \_\_\_\_\_ TOTAL CONTRIBUTION (Of domestic partnership) \_\_\_\_\_  
(Refer to back of this page for the classification) / / /

COMPANY RELATIONSHIP - List all companies related to registrant. (Use additional sheet if necessary.)

RELATIONSHIP TYPE M - DISSOLVED COMPANY (If due to merger) S - PARENT COMPANY (if registrant is a subsidiary) O - Others  
(RELN TYPE) V - DISSOLVED COMPANY (if change in company type) A - AFFILIATE (Of registrant)

RELN TYPE \_\_\_\_\_ START DATE \_\_\_\_\_ END DATE \_\_\_\_\_

MAIN IND -- A (NEW), E (UPDATE EXISTING), OR D (DELETE) RELATIONSHIP \_\_\_\_\_

CERTIFIED CORRECT: *MA. ROSARIO C.Z. NAVA* POSITION : Corporate Secretary DATE: \_\_\_\_\_  
(Signature over printed name)

PROCESSING ATTORNEY: \_\_\_\_\_ DATA ENCODED BY: \_\_\_\_\_  
DATE RECEIVED: \_\_\_\_\_ DATE REVIEWED: \_\_\_\_\_