

FOR APPROVAL BY THE STOCKHOLDERS AT THE 2021 ANNUAL STOCKHOLDERS' MEETING

**MINUTES OF THE 2020 ANNUAL STOCKHOLDERS' MEETING OF
PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

Held virtually via <https://www.pepsiphilippines.com/AnnualStockholdersMeeting2020>
on 20 August 2020 at 9:00 a.m.
(Stockholders' Meeting No. 2020/2021-001)

STOCKHOLDERS PRESENT

Total No. of Issued and Outstanding Shares entitled to vote	3,693,772,279
Total No. of Shares of Stockholders Participating by Remote Communications	3,492,778,434
Total No. of Shares of Stockholders Voting <i>in absentia</i>	-
Total No. of Shares of Stockholders Present by Proxy	5,880,966
Total No. of Shares Present	3,498,659,400
Percentage of Shares of Stockholders Present	94.72%

STOCKHOLDERS PRESENT

Lotte Corporation
Lotte Chilsung Beverage Co. Ltd.
Quaker Global Investments B.V.
Deutsche Bank
Standard Chartered
Catherine Faith M. Bitalac
Alex C. Catindig
Veronica G. de Jesus
Roderick V. Osial
Ivy A. Valdez

DIRECTORS PRESENT

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

OFFICERS PRESENT

Jin Man Kim *Executive Vice President for Strategic Supply Chain and Operations*
Domingo F. Almazan *Senior Vice-President for National Sales and Distribution*
Ma. Vivian A. Cheong *Senior Vice-President for Human Resources and Corporate Affairs & Communications*
Young Duk Kang *Senior Vice-President, Chief Strategy Officer, Compliance Officer, and Data Protection Office.*
Aristedes H. Alindogan *Vice-President and Senior General Manager – Luzon 2*
Lyndon J. Cuadra *Vice-President and Senior General Manager – Visayas*
Kristine L. Evangelista *Corporate Secretary*

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I. CALL TO ORDER

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

II. CERTIFICATION OF NOTICE AND OF QUORUM

The Corporate Secretary certified that on 6 July 2020, the notice and agenda for the annual stockholders' meeting, as well as the procedures on participation by remote communications and voting in absentia, were made available to the stockholders of record as of record date through the PSE EDGE platform and to the stockholders who registered to participate or vote upon the matters for approval in the meeting. The notice and agenda were also published on 28 July 2020 and 29 July 2020 in the business section of the Philippine Star and Business Mirror in both the print and online (OneNews.ph and BusinessMirror.com.ph) formats. The Corporate Secretary also certified that there was a quorum to conduct business, there being a total of 3,498,659,400 shares represented, constituting 94.72% of the total outstanding capital stock of the Company, or more than 50% of the Company's total outstanding capital stock.

As the meeting was called to order, the stock and transfer agent again certified that a total of 3,498,659,400 shares represented in person and by proxy, constituting 94.72% of the Company's total outstanding capital stock, was present at the meeting.

III. INSTRUCTION ON RULES OF CONDUCT AND VOTING PROCEDURES

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

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

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

The votes were tabulated by the Corporate Secretary, assisted by the stock transfer agent. The Corporate Secretary reported that, at the end of the proxy validation process on 17 August 2020 at 5:00 p.m., stockholders owning 3,498,590,400 shares equivalent to 99.99% of the total shares represented in the meeting and 94.72% of the total issued and outstanding stock of the Company had cast their votes on the items for consideration. The Corporate Secretary referred to this partial tabulation in reporting the voting results throughout the meeting. The remaining votes that were cast are now included and reflected in these minutes.

IV. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 11 MAY 2018

The Chairman then proceeded with the approval of the minutes of the annual stockholders' meeting held on 24 May 2019.

The Corporate Secretary reported that a copy of the minutes of the meeting was attached to the Definitive Information Statement made available to the stockholders before the meeting. A copy of the minutes was also posted on the Company's website.

The Corporate Secretary presented Stockholders' Resolution No. 2020/2021-001, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2020/2021-001

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") approve, as they hereby approve, the minutes of the Corporation's Annual Stockholders' Meeting held on 24 May 2019.

As tabulated by the Corporate Secretary, the votes on the adoption of Stockholders' Resolution No. 2020/2021-001 are as follows:

Vote	Number of votes	Percentage of shares represented
For	3,498,590,400	99.99%
Against	0	-
Abstain	0	-
Total	3,498,590,400	99.99%

V. REPORT OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

The President and Chief Executive Officer, Mr. Frederick D. Ong, reported on the results of the operations of the Company for the calendar year ended 31 December 2019 and the efforts undertaken by Management for the year.

Mr. Ong began his report by stating that it is their inherent belief in PCPPI that they exist primarily to deliver responsibly on their commitment to create value for their stakeholders. Coming out of the Company's Win as One goal in 2019, and with thanks to the programs and initiatives implemented by his predecessor, Mr. Yongsang You, Mr. Ong was happy to report the Company's achievements for 2019.

Mr. Ong stated that 2019 was a solid year compared to a challenging 2018, with the Sugar Tax imposed on the industry. The Company saw positive financial outcomes with a 4% increase in gross sales from PhP38.4 billion in 2018 to PhP40.1 billion in 2019. This trickled down to the Company's gross profit which significantly improved by 19% from PhP5.7 billion in 2018 to PhP6.8 billion in 2019 due to the efficient management of manufacturing cost and maintenance of low level of sales and discounts. The Company delivered a net profit of almost PhP300 million last year, coming from a loss of almost PhP200 million in 2018. The Company invested PhP2.7 billion in capital expenditures ("CAPEX") in 2019 and delivered earnings before interest, taxes, depreciation, and amortization (EBITDA) of PhP3.6 billion last year, which is an upturn of PhP1.1 billion from PhP2.5 billion in 2018, thus maintaining the Company's liquidity.

Mr. Ong attributed the Company's financial wins to its key achievements in 2019. The Company introduced a new product line in the Gatorade portfolio, Gatorade Ion, and revitalized the marketing of Gatorade with the Gatorade Win as One Campaign. Further, the Company saw a growth in exclusive partnerships, with the notable

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addition of Penong's BBQ and Grill, one of the fast-expanding food chains south of the Philippines. The Company aims to build more exclusive partnerships with similar institutions in the years to come.

Mr. Ong also highlighted the Company's operational efficiencies. The Company steered the business towards greater optimization of work systems by establishing the Strategic Supply Chain and Operations (SSCO)— an alignment strategy across all functions that touched the supply chain process. Management also positioned the Company towards focused growth and ceased the local production of the snack plant in Cabuyao, Laguna to further center operations on its expanding beverage lines.

The Company also focused on sustainability in 2019 with the creation of the Sustainability Task Force, to reinforce, standardize, and continuously improve the Company's sustainability practices. The Company institutionalized its three Sustainability Pillars: Circular Economy, Water Stewardship, and Inclusive Business. This is consistent with PepsiCo's 2025 sustainability vision of 20% reduction in fuel and electricity usage, 25% reduction in water usage, and 35% reduction in virgin plastic content in plastic packaging. Mr. Ong informed stockholders that the Company invested PhP100.3 million in sustainability efforts, which includes the water recycling and reuse project, with Muntinlupa as the pilot plant. This initiative is set to be implemented across all plants to create a profound and integrated impact on the Company's way of consuming water. Despite restrictions on the access to traditional sources of groundwater to fuel operations, the Company was able to strengthen its water stewardship through purposeful water usage in its operations, integrated watershed management, and knowledge sharing on sanitation and prudent water use among internal and external stakeholders.

Mr. Ong reported that the Company created more than seven thousand (7,000) jobs for its partner Micro, Small & Medium Enterprises (MSMEs) through the Entrepreneurship Distribution System, and supported various advocacies such as education, diversity, and disaster resilience, which all directly benefitted the communities where the Company operates.

The Company was able to save PhP108 million from resource management, and reduce carbon footprint production by 450 MT across all plants. Because of these efforts, the Company bagged the prestigious Asia CEO Awards "Circle of Excellence" for the Luntian Yaman and Water for Peace in Marawi, and the Asia Responsible Enterprise Awards 2019 for the same program in Marawi.

Significantly, the Company celebrated its thirtieth (30th) anniversary under the "Pepsi-Cola Products Philippines, Inc." name last year. The Company also celebrated the induction of its San Fernando Pampanga plant into the local government unit ("LGU") Hall of Fame for receiving the "Healthiest Workplace" Award three (3) years in a row. In addition, the Company won three (3) awards from 7-Eleven, namely, Innovation, Brand Activation Partnership, and Account Management. The Sta. Rosa business unit also gained recognition from Citimart for being the Most Improved Supplier and Excellence in Branding.

The "Great to Be Pepsi" mantra has been continuously echoed within the organization, and the Company's employees, referred to as Bravehearts, are exemplifying and living this mantra through their increased sense of volunteerism. Mr. Ong recognized the Bukluran Councils, which serve as the Company's empowerment arm, for delivering on the promise of taking care of the business, each other, and the Company's communities. Mr. Ong said that the Company places a premium on the welfare of the employees, who have been its main driving force from day one. The Company constantly aims for their growth through developmental programs, which begins from their on-boarding, to their skills enhancements as they become leaders. Through all of these, the Company has underscored the P.E.P.S.I values of Passion, Excellence, Professionalism, Service, and Integrity.

Mr. Ong acknowledged that 2020 has proven to be a very tumultuous year, not just for PCPPI and the industry, but for all sectors of society. Though these unprecedented events have affected PCPPI's business, Mr. Ong assured stockholders that the Company remains committed to delivering on its promise. In dealing with COVID-19, the Company's goal is to ensure minimal impact of the pandemic on its business, its people, and its operations by developing three main guiding principles: first is to help the employees cope safely during the enhanced community quarantine ("ECQ") or lockdown period, second is to support the Company's community and

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partners across the country, and third is to remain responsible in delivering its obligation in service to the Filipino people.

The Company made sure to provide a safer work environment for the employees, and introduced flexible work arrangements such as work from home, skeleton workforce, and telesell or phone sales, among others. The Company also timed the early release of salaries and pro-rated 13th month pay to ease the financial burden brought about by the imposed lockdowns. Those who went to work as part of the skeleton workforce were provided with free board and lodging, meal allowances, face masks, and personal protective equipment (“*PPEs*”). The Company also kept the employees’ mental health in mind through a series of webinars and consultation sessions for them to understand the current situation and cope safely with it in the comforts of their homes and with their families.

PCPPI also donated more than 165,000 bottles or around 9,000 cases of assorted drinks to hospitals, quarantine facilities, and checkpoints to hydrate and uplift the spirits of the frontliners, and lent more than a hundred tents to LGUs for their checkpoints nationwide. The Company also made its services available to its customers, distributors, and suppliers through skeletal manning and many community partnerships, while still making sure that both its employees and consumers were safe and protected.

As a company that delivers essential goods, the Company was able to continue manufacturing, selling, and distributing products even during the ECQ period, within the government approved guidelines and protocols. The Company made sure that the stores and grocery shelves were filled with hydration products, and implemented new and safe ways to deliver goods right at the customers’ doorsteps to meet their ever-changing demands through a local community partnership program.

To manage its level of liquidity, Mr. Ong reported that the Company drove down its cost by seven percent (7%) and rationalized its planned capital investments in 2020 by eighteen percent (18%). Despite these measures, the Company was able to fully support the needs of its customers and consumers, and keep stock levels intact. More importantly, despite other big businesses scaling down and closing, no one in PCPPI was let go and no employee lost his/her job during the COVID-19 pandemic.

Mr. Ong concluded his report by reassuring stockholders that PCPPI is steadfast in achieving its goals and poised to reach bigger milestones in the years ahead. As the new President and Chief Executive Officer, his first priority work was to put strategic agenda and growth targets in place, with firm emphasis on healthy financials, complete portfolio management, people development, stronger delivery on quality, productivity, and health and regulatory compliance. He then invited viewers to watch PCPPI’s corporate video.

After the corporate video was shown, the Chairman stated that the President and Chief Executive Officer’s report on the results of the Company’s operations for calendar year ended 31 December 2019 was noted for the record.

VI. PRESENTATION OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Chairman proceeded to the next agenda item, which was the presentation and approval of the Company’s audited financial statements for the calendar year ended 31 December 2019 (“*AFS*”). The Corporate Secretary reported that a copy of the AFS, which forms part of the Company’s Annual and Sustainability Report, was attached to the Definitive Information Statement made available to the stockholders before the meeting.

The Corporate Secretary presented Stockholders’ Resolution No. 2020/2021-002, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

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Stockholders' Resolution No. 2020/2021-002

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "*Corporation*") note, accept and approve, as they hereby note, accept and approve, the Corporation's Audited Financial Statements for the calendar year ended 31 December 2019.

As tabulated by the Corporate Secretary, the votes on the adoption of Stockholders' Resolution No. 2020/2021-002 are as follows:

Vote	Number of votes	Percentage of shares represented
For	3,498,590,400	99.99%
Against	0	-
Abstain	0	-
Total	3,498,590,400	99.99%

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

The Chairman proceeded to the next agenda item, which was the ratification of the acts of the Board of Directors and Management from the last annual stockholders' meeting held on 24 May 2019 to date.

The acts and resolutions of the Board of Directors include those of its Committees exercising powers delegated by the Board. These acts and resolutions are reflected in the minutes of the meetings, and include the election of officers and members of the Board Committees, appointment of authorized representatives for various transactions, treasury matters, contracts, and other material matters duly and timely disclosed to the Securities and Exchange Commission and the Philippine Stock Exchange, as well as posted on the Company's website.

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

The Corporate Secretary presented Stockholders' Resolution No. 2020/2021-003, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2020/2021-003

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "*Corporation*") ratify and approve, as they hereby ratify and approve, all acts and resolutions of the Corporation's Board of Directors, including those of the Board Committees, all acts of the Management, as well as all contracts and transactions entered into by the Corporation from the last annual stockholders' meeting held on 24 May 2019 to date.

As tabulated by the Corporate Secretary, the votes on the adoption of Stockholders' Resolution No. 2019/2020-003 are as follows:

Vote	Number of votes	Percentage of shares represented
For	3,498,590,400	99.99%
Against	0	-
Abstain	0	-
Total	3,498,590,400	99.99%

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

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

The Corporate Secretary confirmed that the proposed amendments to the Company's Amended Articles of Incorporation were approved by the Board of Directors in its meeting held on 13 May 2020 and gave a brief overview of the proposed amendments, which are outlined and discussed in the Definitive Information Statement.

The Company's Amended Articles of Incorporation are being amended to align its provisions with the Charter of the Board of Directors and the charters of the Board committees adopted on 11 December 2019. The Charter of the Board of Directors and charters of the Board committees were drafted to be consistent with the recommendations under the Code of Corporate Governance for Publicly-Listed Companies to the fullest extent possible. There are two proposed amendments to the Amended Articles of Incorporation:

First, all references to the "Nomination Committee" are amended to refer to the "Nomination and Governance Committee," which has assumed governance functions and been renamed as such under the Nomination and Governance Committee Charter.

Second, the Nomination and Governance Committee was empowered to give recommendations on the recruitment, hiring, or change in the terms of employment of the six (6) highest-paid executives, officers, and/or directors.

The Corporate Secretary presented Stockholders' Resolution No. 2020/2021-004, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2020/2021-004

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") approve as they hereby approve the following amendments to the Amended Articles of Incorporation:

"TWELFTH: xxx xxx xxx

(b) Each of the directors and members of the Executive, Audit, Nomination and Governance, Compensation and Remuneration, and other committees, x x x.

 xxx xxx xxx

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

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

 xxx xxx xxx."

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As tabulated by the Corporate Secretary, the votes on the adoption of Stockholders' Resolution No. 2020/2021-004 are as follows:

Vote	Number of votes	Percentage of shares represented
For	3,498,590,400	99.99%
Against	0	-
Abstain	0	-
Total	3,498,590,400	99.99%

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

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

The Corporate Secretary gave a brief overview of the proposed amendments to the Company's Amended By-Laws, which were likewise approved by the Board of Directors in its meeting held on 13 May 2020. The proposed amendments to the Company's Amended By-Laws, which are also outlined and discussed in the Information Statement, are intended to align its provisions with the Charter of the Board of Directors and the charters of the Board committees adopted on 11 December 2019. There are seven (7) proposed amendments to the Amended By-Laws:

First, that the number of Independent Directors shall be increased from two (2) to a minimum of two (2) or such number that will constitute twenty-percent (20%) of the members of the Board, whichever is higher.

Second, that the Board's opinion shall be considered material in determining the qualifications of an Independent Director.

Third, that in the absence of the Chairman and Vice-Chairman, the President or the Chief Executive Officer shall have the duty to preside at the meetings of the Board of Directors and the stockholders.

Fourth, that the members of the Board shall be permitted to attend Board meetings through all authorized means of remote communications, such as - web conferencing, and other electronic means, aside from teleconferencing and video conferencing.

Fifth, that members of the Board committees shall be authorized to deem a committee meeting as duly convened by agreement, despite shorter notice, and that the members shall be allowed to consent to short notices or waive notices of any committee meeting.

Sixth, that all references to the "Nomination Committee" in the Company's By-Laws are amended to refer to the "Nomination and Governance Committee."

Seventh, that the composition, functions, and duties of Board committees and qualifications of committee members are amended to reflect the changes introduced in the charters of the Board committees. These changes are discussed in detail in the Definitive Information Statement.

The Corporate Secretary presented Stockholders' Resolution No. 2020/2021-005, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2020/2021-005

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

"Article III
DIRECTORS

SECTION 1. x x x. 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 on Corporate Governance (the "Manual"), applicable laws, regulations, and resolutions and rules passed or adopted by the Nomination and Governance Committee.

xxx xxx xxx

SECTION 6. The Board of Directors may hold meetings, after due notice, by telephone call conference, video conference, web conference or such other allowable electronic means to the extent permitted by and under the rules and requirements established by applicable Philippine law, x x x.

SECTION 10. The Board of Directors shall create and appoint the following committees: an Executive Committee, an Audit Committee, a Nomination and Governance 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 and Governance 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. x x x.

10.1. xxx xxx xxx

The Executive Committee shall have and exercise all the powers of the Board of Directors during the intervals between Board meetings except for: x x x (6) such other matters as may be specifically excluded or limited by the Board or by the Revised Corporation Code. x x x.

10.2. The Audit Committee shall be composed of four (4) members of the Board, with at least two (2) members being independent. Each member must have relevant background, knowledge, skills and/or experience in the areas of accounting, auditing and finance and shall have adequate understanding of the Corporation's financial management systems and environment. At least one (1) member of the Audit Committee must have relevant thorough knowledge and experience on risk and risk management. The Chairman of the Audit Committee shall be an independent director, and shall not simultaneously be the Chairman of the Board or any other committee. The Audit Committee shall meet at least once every three (3) months and shall assist the Board in the performance of its oversight responsibility for: (a) the Corporation's financial reporting process, audit process, and monitoring of compliance with applicable laws, rules and regulations, including supervising the formulation of rules and procedures on financial reporting and internal control; (b) the Corporation's internal controls; (c) the Corporation's appointment,

reappointment, removal, and payment of the fees of the External Auditor; (d) the Corporation's risk management process; and (e) the Corporation's transactions with Related Parties. The Audit Committee shall also perform all of its other duties and responsibilities provided in the Manual. The Audit Committee shall have an Audit Committee Charter as provided in the Manual. 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 and Governance Committee shall be composed of three (3) members, at least one (1) 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 Chairman of the Nomination and Governance Committee shall be an independent director, and shall not simultaneously be the Chairman of the Audit Committee. The Nomination and Governance Committee shall meet at such times and places it considers appropriate, provided that one (1) meeting shall be held after the close of the nomination period for the election of Directors and prior to the finalization of the Corporation's information statement. The Nomination and Governance Committee shall undertake the following duties and functions relating to corporate governance: (a) oversee the implementation of the corporate governance framework and periodically review said framework to ensure it remains appropriate in light of material changes to the Corporation's size, complexity and business strategy, as well as its business and regulatory environments; (b) oversee the periodic performance evaluation of the Board and its committees as well as Management, and conduct an annual self-evaluation of its performance; (c) ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement; (d) recommend continuing education/training programs for directors, assignment of tasks/projects to the board committees, and succession plan for the directors and officers; (e) recommend corporate governance policies and ensure that these are reviewed and updated regularly, and consistently implemented in form and substance; and (f) propose and plan relevant trainings for the directors, as well as for the induction of new directors. It shall also undertake the following duties and responsibilities relating to the nomination and election of directors: (a) establish and adopt a formal and transparent Board nomination and election policy, aligned with the strategic direction of the Corporation, that shall include how the committee accepts nominations and assesses the qualifications of the nominated candidates, which policy shall also include an assessment of the effectiveness of the Board of Directors' processes and procedures in the nomination, election, and replacement of directors; (b) 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, By-laws, the Manual on Corporate Governance, applicable laws, regulations, and resolutions and rules passed or adopted by it, the stockholders, the Board of Directors, including disqualifying nominees who, represent an interest adverse to or in direct conflict with those of the Corporation; (c) advise the Board and the stockholders, as applicable, whether the directors continue to be qualified or disqualified from continuing as members of the Board of Directors; (d) define the roles, duties, and responsibilities of the Chief Executive Officer and 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. In carrying out its duties, it shall request the assistance of the Senior Vice-President for Human Resources and the Human Resources Department. The Nomination and Governance 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 four (4) members, two (2) of whom shall be independent directors. 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 Chairman of the Compensation and Remuneration Committee shall be an independent director, and shall not simultaneously be the Chairman of the Audit Committee. The Compensation and Remuneration Committee shall meet at least once a year, and shall x x x (b) designate the amount of remuneration, which shall be in a sufficient level to attract directors and officers who are needed to run the Corporation successfully, subject to approval of the Board; x x x (e) to the extent required by law or regulation, provide in the Corporation's annual reports, and 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; x x x and (g) perform other duties and activities that the Committee or Board of Directors consider appropriate in the context of the Compensation and Remuneration Manual. x x x.

10.5. xxx xxx xxx

Each of the members of the Executive, Audit, Nomination and Governance, 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. x x x. Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the members present in the meeting. A member may consent to short notice and may waive notice of any meeting of the committee and any such waiver may apply retroactively.

SECTION 13. xxx xxx xxx

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

xxx xxx xxx

Article III-A
INDEPENDENT DIRECTORS

SECTION 1. The Corporation shall, to the extent required by law or regulation, have at least two (2) independent directors or such number of independent directors as will constitute at least twenty percent (20%) of the members of the Board, whichever is the higher. 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, applicable laws, regulations, and resolutions and rules passed or adopted by the Nomination and Governance Committee.

SECTION 2. An independent director (“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, in the opinion of the Board, could or could reasonably be perceived to, materially interfere with his exercise of independent judgment x x x.

xxx xxx xxx.

SECTION 3. In addition to the disqualifications provided for in the Articles of Incorporation, these By-Laws, the Manual, applicable laws, regulations, and resolutions and rules passed or adopted by the Nomination and Governance Committee, x x x:

xxx xxx xxx

SECTION 4. The nomination of Independent Directors shall be conducted by the Nomination and Governance Committee prior to a Stockholders' meeting. All nomination letters shall be signed by the nominating Stockholders together with the acceptance and conformity by the nominees. The Nomination and Governance 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 and Governance Committee shall prepare a Final List of Candidates x x x. x x x.

Article IV
OFFICERS

xxx xxx xxx

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. The President or the Chief Executive Officer shall preside at the meetings of the Board of Directors and Stockholders, in the absence of the Chairman and Vice-Chairman.

xxx xxx xxx

SECTION 9. The Board shall appoint a Compliance Officer, who shall have the rank of at least Senior Vice-President, highest ranking officer or head of a

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department, or an equivalent position with adequate stature and authority in the Corporation. The Compliance Officer shall report directly to the Board and shall: (a) ensure proper onboarding of new Directors; (b) ensure the attendance of Board members and key Officers to relevant trainings; (c) monitor, review, evaluate and ensure the compliance by the Corporation, its Officers and Directors with the relevant laws, the Manual and the rules and regulations of regulatory agencies; (d) ensure the integrity and accuracy of all documentary submissions to regulators; (e) appear before the Commission upon summon on similar matters that need to be clarified by the same; (f) collaborate with other departments to properly address compliance issues, which may be subject to investigation; (g) determine violation/s of the Manual and recommend penalty for violation thereof for review and approval of the Board, as well as the adoption of measures to prevent a repetition of the violation; (h) identify, monitor, and control compliance risks; and (i) perform such other duties and responsibilities as may be provided by the Commission.

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As tabulated by the Corporate Secretary, the votes on the adoption of Stockholders' Resolution No. 2020/2021-005 are as follows:

Vote	Number of votes	Percentage of shares represented
For	3,492,709,434	99.82%
Against	5,880,966	0.17%
Abstain	0	-
Total	3,498,590,400	99.99%

X. ELECTION OF DIRECTORS

The Chairman proceeded to the next order of business, which was the election of the members of the Board of Directors for the year 2020 to 2021.

The Corporate Secretary read out the names of the nine (9) nominees for election to the Board of Directors, which are as follows:

FREDERICK D. ONG
YONGSANG YOU
YOUNGGOO LEE
TAE HYEON KIM
JAY BUCKLEY
SAMIR MOUSSA
PARINYA KITJATANAPAN
OSCAR S. REYES (Independent Director)
RAFAEL M. ALUNAN III (Independent Director)

The Chairman confirmed that the Committee had reviewed the qualifications and business experience of all nine (9) nominees and ascertained that they possess all the qualifications and suffer none of the disqualifications for election to the Board of Directors. The Chairman also confirmed that the Committee has approved and certified their inclusion in the Final List of Candidates for election to the Board of Directors for the year 2020 to 2021.

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The Chairman then requested the Corporate Secretary to report on the results of the voting for the election of the directors. The Corporate Secretary reported and certified that each of the nominees received enough votes for election to the Board (*i.e.*, a majority of the outstanding stock of the Company, or 1,846,886,140 votes.

The Corporate Secretary presented Stockholders' Resolution No. 2020/2021-006, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2020/2021-006

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") elect, as they hereby elect, the following nominees as members of the Board of Directors of the Corporation for the year 2020 to 2021:

1. FREDERICK D. ONG
2. YONGSANG YOU
3. YOUNGGOO LEE
4. TAE HYEON KIM
5. JAY BUCKLEY
6. SAMIR MOUSSA
7. PARINYA KITJATANAPAN
8. OSCAR S. REYES (Independent Director)
9. RAFAEL M. ALUNAN III (Independent Director)

XI. APPOINTMENT OF EXTERNAL AUDITORS

The Chairman proceeded to the appointment of the Company's external auditor for the year 2020 to 2021. He requested the incumbent Chairman of the Board's Audit Committee, Mr. Rafael M. Alunan III, to convey the recommendation of the Committee on the external auditor to be appointed for the year 2020.

Mr. Alunan reported that the Audit Committee reviewed the performance over the past year of the Company's present external auditor, R.G. Manabat & Co., a member firm of the KPMG network of independent firms affiliated, and is satisfied with its performance. Mr. Alunan confirmed that the Board is endorsing the re-appointment of R.G. Manabat & Co. as the Company's external auditor for the year 2020.

The Corporate Secretary presented Stockholders' Resolution No. 2020/2021-007, which was displayed on the screen, and reported the approval by the stockholders based on the votes received:

Stockholders' Resolution No. 2020/2021-007

RESOLVED, that the stockholders of Pepsi-Cola Products Philippines, Inc. (the "Corporation") approve, as they hereby approve, the appointment of R.G. Manabat & Co. as the Corporation's external auditor for the year 2020 to 2021.

As tabulated by the Corporate Secretary, the votes on the adoption of Stockholders' Resolution No. 2020/2021-007 are as follows:

Vote	Number of votes	Percentage of shares represented
For	3,498,590,400	99.99%
Against	0	-
Abstain	0	-
Total	3,498,590,400	99.99%

XII. OTHER MATTERS

The Chairman asked the stockholders if there were any matters that they would like to take up at the meeting, or if there were any questions regarding earlier agenda items. He requested the Corporate Secretary to read out the questions and comments sent through email, together with the names of the stockholders who sent them. The Chairman requested Mr. Ong to respond to the questions. The Chairman further noted that any questions and comments not taken up during this meeting will be responded to by email.

Ms. Ivy Valdez asked how the COVID-19 pandemic has affected the Company's operations in the past five (5) months and what measures were being implemented by the Company to address its effects on its operations. Mr. Ong responded by acknowledging that, as with most industries, the pandemic has affected the Company in ways that it never could have imagined. Fortunately, its products are considered essential goods by the Department of Trade and Industry and it has been able to continue its operations despite the lockdown by strictly following government safety protocols, and despite many of its employees having been barred from intercity or inter-province travel at the start of the ECQ period.

Mr. Ong said that sales and distribution were hit hardest in March and April, but have since seen improvements month on month. In response to the pandemic, Management came up with measures to ensure that the business, its employees, and its stakeholders can cope with the adverse effects of the pandemic, with health and safety as PCPPI's number one priority. He shared that PCPPI prioritized equipping its employees physically, financially, and psychologically to soften the blow of the pandemic and the lockdown on their lives. For those who went to work, their needs were provided for by the Company, from providing face mask and shields, additional hand washing bays, alcohol/hand sanitizers, and PPEs, arranging transportation services, board, and lodging, granting special meal allowances, and providing education programs and constant reminders to adhere to social distancing to ensure that employees are well informed and equipped to adapt. The Company also heightened its communications with its employees and made sure that it served as a source of strength and security for them.

The next question came from Mr. Alex Cruz Catindig. He recognized that the Company has bounced back from the effects of the Sugar Tax at the end of 2019 but expressed concern over the effects of COVID-19. He asked about the Company's current financial position, whether there were any gaps, and if there were, how such gaps could be addressed this year. Mr. Ong explained that the momentum from the turnaround in 2019, post Sugar Tax implementation, was carried through the first two (2) months of 2020 with double digit growth versus last year, led by brands Pepsi, Mountain Dew, and Sting. However, quarantine restrictions in response to the COVID-19 pandemic in mid-March limited consumer movement and consumption, especially for on-premise outlets.

When the government eased its quarantine restrictions in the second quarter, the Company saw sequential improvement in its volume month on month starting May 2020, with July 2020 volume close to the July 2019 level. Mr. Ong said that recovery was done by quickly adjusting to the changes in consumer preference as the product mix moved towards multi-serve home consumption packages. Recognizing the impact of this pandemic on beverage consumption and the overall economy, the Company also implemented measures to optimize operating expenses and CAPEX investments in line with the new business reality. Mr. Ong said that refocusing and reprioritizing the Company's spending and investments will help the Company throughout this year, and that it is cautiously optimistic and expects growth to return in the second half of 2020 to finish the year with strong momentum going into 2021.

The last question came from Mr. Roderick V. Osial, who asked about the Company's plans in light of the pandemic. In particular, he asked how PCPPI is helping its stakeholders and what the growth platform of the Company is moving forward. Mr. Ong said that part of PCPPI's response to the pandemic was to address the immediate needs of the surrounding communities and heavily-affected sectors.

The Company donated hydration drinks and PPEs to frontliners and lent tents to local government units for their check points. The Company's Business Units also donated to their respective communities. For its partners, the Company made sure that its products and services were readily available despite the quarantine restrictions so

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that consumers continue to have access to its products. Mr. Ong proudly reported that, five months into the community quarantine, PCPPI has fully adapted to the new normal and the Company is starting to tread the path of recovery.

Mr. Ong concluded by saying that PCPPI leadership and Management have come up with business goals that will set a good foundation for the Company to pull through the pandemic. The plan is to focus on portfolio management, people development, process optimization, and enhanced efficiency and productivity while remaining compliant with government regulations.

XIII. ADJOURNMENT

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

Kristine N.L. Evangelista
Corporate Secretary

Attest:

Oscar S. Reyes
Chairman