

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

1. 13 May 2020  
Date of Report (Date of earliest event reported)
  
2. SEC Identification No. 160968
3. BIR Tax Identification No. 000-168-541
  
4. Pepsi-Cola Products Philippines, Inc.  
Exact name of issuer as specified in its charter
  
5. Philippines  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)  
Industry Classification Code
  
7. Km. 29 National Road, Tunasan, Muntinlupa City      1773  
Address of principal office      Postal Code
  
8. (+632) 888-73774  
Issuer's telephone number, including area code
  
9. Not Applicable  
Former name or former address, if changed since last report
  
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
<u>Common Shares</u>	<u>3,693,772,279</u>

11. Indicate the item numbers reported herein: Items 4 and 9

**Matters approved during the regular meeting of the Company's Board of Directors held on 13 May 2020**

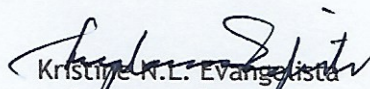
- (a) Appointment of Atty. Ma. Rosamelle E. Cruz-Añonuevo as the Officer-In-Charge of the Company's Legal and Government Affairs Department, effective today, 13 May 2020.
- (b) Retirement of Mr. Roberto E. Tongcua as the Company's Vice-President and Senior General Manager for Mindanao, effective today, 13 May 2020.
- (c) Approval of the Company's Securities and Exchange Commission ("SEC") Form I-ACGR (Integrated Annual Corporate Governance Report) and the filing thereof with the SEC and the disclosure to the Philippine Stock Exchange ("PSE").
- (d) Approval of the proposed amendments to the Company's Amended Articles of Incorporation and endorsement to stockholders for approval. The amendments were made to align the provisions of the Company's Amended Articles of Incorporation with the Board Charter and Board Committee Charters adopted on 11 December 2019. Please see attached Annex A for the approved amendments to the Amended Articles of Incorporation.
- (e) Approval of the proposed amendments to the Company's Amended By-Laws and endorsement to stockholders for approval. The amendments were made to align the provisions of the Company's Amended By-Laws with the Board Charter and Board Committee Charters adopted on 11 December 2019. Please see attached Annex B for the approved amendments to the Amended By-Laws.
- (f) Approval of the Company's 2020 Manual on Corporate Governance, and the filing thereof with the SEC and disclosure to the PSE. The 2020 Manual on Corporate Governance incorporates provisions of the Board Charter and Board Committee Charters adopted on 11 December 2019 into the previous 2019 Revised Manual on Corporate Governance.

**SIGNATURE**

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

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

13 May 2020  
Date

  
Kristine K.L. Evangelista  
Corporate Secretary

**PROPOSED AMENDMENTS TO THE AMENDED ARTICLES OF INCORPORATION  
OF PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

As approved by the Board of Directors on 13 May 2020

Article and Section Number	Current Provision	Amended Provision (as approved)
Twelfth Article	<p>TWELFTH:     xxx                   xxx                   xxx</p> <p>(b) Each of the directors and members of the Executive, Audit, Nomination, Compensation, 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 <i>ab initio</i> unless all the members of the Board or committee, as the case may be, waive such notice.</p> <p style="text-align: center;">xxx                   xxx                   xxx</p> <p>(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:</p> <p style="padding-left: 40px;">(10) Recruitment, hiring, or otherwise changing terms of employment (including compensation, severance, or termination) for the six (6) highest-paid executives, officers</p>	<p>TWELFTH:     xxx                   xxx                   xxx</p> <p>(b) Each of the directors and members of the Executive, Audit, Nomination <b><u>and Governance</u></b>, Compensation <b><u>and Remuneration</u></b>, 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 <i>ab initio</i> unless all the members of the Board or committee, as the case may be, waive such notice.</p> <p style="text-align: center;">xxx                   xxx                   xxx</p> <p>(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:</p> <p style="padding-left: 40px;">(10) Recruitment, hiring, or otherwise changing terms of employment (including compensation, severance, or termination) for</p>

**Proposed Amendments to the Amended Articles of Incorporation  
of Pepsi-Cola Products Philippines, Inc.  
as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
	<p style="text-align: center;">and/or directors of the Corporation other than such terms as recommended by the Compensation and Remuneration Committee of the Corporation;</p> <p style="text-align: center;">xxx                      xxx                      xxx</p>	<p style="text-align: center;">the six (6) highest-paid executives, officers and/or directors of the Corporation other than such terms as recommended by the <b><u>Nomination and Governance Committee</u></b> <b>and</b> Compensation and Remuneration Committee of the Corporation;</p> <p style="text-align: center;">xxx                      xxx                      xxx</p>

**PROPOSED AMENDMENTS TO THE AMENDED BY-LAWS  
OF PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

As approved by the Board of Directors on 13 May 2020

Article and Section Number	Current Provision	Amended Provision (as approved)
Article III, Section 1	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 (the "Manual"), 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 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 <b>on</b> Corporate Governance (the "Manual"), applicable laws, regulations, and resolutions and rules passed or adopted by the Nomination <b>and Governance</b> 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.
Article III, Section 6	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	SECTION 6. The Board of Directors may hold meetings, after due notice, by telephone call <b>conference</b> , video conference, <b>web conference</b> 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

**Proposed Amendments to the Amended By-Laws  
of Pepsi-Cola Products Philippines, Inc.  
as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
	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.	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.
Article III, Section 10	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.	SECTION 10. The Board of Directors shall create and appoint the following committees: an Executive Committee, an Audit Committee, a Nomination <b><u>and Governance</u></b> 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 <b><u>and Governance</u></b> 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                    xxx                    xxx                    xxx	10.1.                    xxx                    xxx                    xxx

**Proposed Amendments to the Amended By-Laws  
of Pepsi-Cola Products Philippines, Inc.  
as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
	<p>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.</p> <p>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 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, audit process, and monitoring of</p>	<p>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 <b>Revised</b> 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.</p> <p>10.2. The Audit Committee shall be composed of four (4) members of the Board, with at least two <b>(2)</b> members being independent directors. Each member <b>must have relevant background, knowledge, skills and/or experience in the areas of accounting, auditing and finance</b> and shall have adequate understanding of the Corporation's financial management systems and environment. <b>At least one (1) member of the Audit Committee must have relevant thorough knowledge and experience on risk and risk management.</b> The Chairman of the Audit Committee shall be an independent director,</p>

**Proposed Amendments to the Amended By-Laws  
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as approved by the Board of Directors on 13 May 2020**

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	<p>compliance with applicable laws, rules and regulations, <b>(b)</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) (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.</p> <p>10.3 The Nomination Committee shall be composed of at least three (3) 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</p>	<p><b><u>and shall not simultaneously be the Chairman of the Board or any other committee.</u></b> The Audit Committee shall meet at least once every three <b>(3)</b> months and shall assist the Board in the performance of its oversight responsibility for: <b><u>(a) the Corporation's</u></b> financial reporting process, audit process, and monitoring of compliance with applicable laws, rules and regulations, <b><u>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.</u></b> 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.</p> <p>10.3. The Nomination <b>and Governance</b> Committee shall be composed of three (3) members, <b>at least</b> one <b>(1)</b> 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. <b><u>The Chairman of the Nomination and Governance Committee shall be an independent</u></b></p>



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	<p>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 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, represent an interest adverse to or in direct conflict with those of the Corporation; (c) advise the Board and the Shareholders, as applicable, whether the directors continue to be qualified or disqualified from continuing as members of the Board of Directors; (d) 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.</p>	<p><b><u>director, and shall not simultaneously be the Chairman of the Audit Committee.</u></b> The Nomination <b><u>and Governance</u></b> Committee shall meet <b><u>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.</u></b> The Nomination <b><u>and Governance</u></b> Committee shall <b><u>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</u></b></p>

**Proposed Amendments to the Amended By-Laws  
of Pepsi-Cola Products Philippines, Inc.  
as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
		<p><b><u>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 of Corporate Governance, applicable laws, regulations, and resolutions and rules passed or adopted by it, the <u>stockholders</u>, 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 <u>stockholders</u>, as applicable, whether the directors continue to be qualified or disqualified from continuing as members of the Board of Directors; (d) <u>define</u> the roles, duties, and responsibilities of the Chief Executive Officer <u>and</u> 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. <u>In carrying out its duties, it shall request the assistance of the Senior Vice-President for Human Resources and the Human Resources Department.</u> The Nomination <u>and</u></u></b></p>

**Proposed Amendments to the Amended By-Laws  
of Pepsi-Cola Products Philippines, Inc.  
as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
	<p>10.4 The Compensation and Remuneration Committee shall be composed of at least three members, one of whom shall be 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 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,</p>	<p><b><u>Governance</u></b> 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.</p> <p>10.4. The Compensation and Remuneration Committee shall be composed of <b>four (4)</b> members, <b>two (2)</b> 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. <b><u>The Chairman of the Compensation and Remuneration Committee shall be an independent director, and shall not simultaneously be the Chairman of the Audit Committee.</u></b> 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 directors <b><u>and officers</u></b> who are needed to run the Corporation successfully, <b><u>subject to approval of the Board</u></b>; (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</p>

**Proposed Amendments to the Amended By-Laws  
of Pepsi-Cola Products Philippines, Inc.  
as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
	<p>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 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.</p>	<p>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, <u>and</u> 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; (f) review 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; <u>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.</u> 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.</p>
	<p>10.5. xxx xxx xxx</p> <p>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</p>	<p>10.5. xxx xxx xxx</p> <p>Each of the members of the Executive, Audit, Nomination <u>and Governance</u>, 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</p>

**Proposed Amendments to the Amended By-Laws  
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	at any meeting without such notice shall be null and void <i>ab initio</i> unless all committee members waive such notice.	business transacted at any meeting without such notice shall be null and void <i>ab initio</i> . <b><u>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.</u></b>
Article III, Section 13	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 Compensation and Remuneration Committee of the Corporation;  xxx                   xxx                   xxx	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 <b><u>Nomination and Governance Committee and</u></b> Compensation and Remuneration Committee of the Corporation;  xxx                   xxx                   xxx
Article III-A, Section 1	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. 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 Committee.	SECTION 1. The Corporation shall, to the extent required by law or regulation, have <b><u>at least two (2)</u></b> independent directors <b><u>or such number of independent directors as will constitute at least twenty percent (20%) of the members of the Board,</u></b> whichever is the <b><u>higher</u></b> . 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

**Proposed Amendments to the Amended By-Laws  
of Pepsi-Cola Products Philippines, Inc.  
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Article and Section Number	Current Provision	Amended Provision (as approved)
		resolutions and rules passed or adopted by the Nomination <b>and Governance</b> Committee.
Article III-A, Section 2	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:  xxx                      xxx                      xxx.	SECTION 2. An independent director (" <b>Independent Director</b> ") is a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which, <b>in the opinion of the Board</b> , 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:  xxx                      xxx                      xxx.
Article III-A, Section 3	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:  xxx                      xxx                      xxx	SECTION 3. In addition to the disqualifications provided for in the Articles of Incorporation, these By-Laws, the Manual <b>on</b> Corporate Governance, applicable laws, regulations, and resolutions and rules passed or adopted by the Nomination <b>and Governance</b> Committee, an Independent Director shall likewise be disqualified during his tenure under the following instances or causes:  xxx                      xxx                      xxx
Article III-A, Section 4	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	SECTION 4. The nomination of Independent Directors shall be conducted by the Nomination <b>and Governance</b> Committee prior to a Stockholders' meeting. All <b>nomination letters</b> shall be signed by the nominating stockholders together with the acceptance and conformity

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as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
	<p>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.</p>	<p>by the nominees. The Nomination <u>and Governance</u> 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 <u>and Governance</u> 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.</p>
Article IV, Section 4	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	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

**Proposed Amendments to the Amended By-Laws  
of Pepsi-Cola Products Philippines, Inc.  
as approved by the Board of Directors on 13 May 2020**

Article and Section Number	Current Provision	Amended Provision (as approved)
	all such other duties as are incident to his/her office or are properly required of him/her by the Board of Directors.	all such other duties as are incident to his/her office or are properly required of him/her by the Board of Directors. <b><u>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.</u></b>
Article IV, Section 9	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 9. The Board shall <b><u>appoint</u></b> a Compliance Officer, <b><u>who shall have the rank of at least Senior Vice-President, highest ranking officer or head of a department, or an equivalent position with adequate stature and authority in the Corporation.</u></b> The Compliance Officer shall <b><u>report directly</u></b> to the <b><u>Board</u></b> and shall: (a) <b><u>ensure proper onboarding of new Directors;</u></b> (b) <b><u>ensure the attendance of Board members and key Officers to relevant trainings;</u></b> (c) <b><u>monitor, review, evaluate and ensure the compliance by the Corporation, its Officers and Directors</u></b> with the <b><u>relevant laws,</u></b> the Manual and the rules and regulations of regulatory agencies; (d) <b><u>ensure the integrity and accuracy of all documentary submissions to regulators;</u></b> (e) appear before the Commission upon summon on similar matters that need to be clarified by the same; (f) <b><u>collaborate with other departments to properly address compliance issues, which may be subject to investigation;</u></b> (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; <b><u>and (i) perform such other</u></b>



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		<u>duties and responsibilities as may be provided by the Commission.</u>