

THE PEPSI BOTTLING GROUP, INC.

REVISED COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE CHARTER

(ADOPTED ON JANUARY 23, 2004)

A. Statement of Purpose

The purpose of the Compensation and Management Development Committee (the "Committee") of the Board of Directors (the "Board") of The Pepsi Bottling Group, Inc. (the "Company") is to have direct responsibility for annual and long-term executive compensation and to oversee employee benefit programs.

B. Organization

1. All of the members of the Committee will be independent in accordance with the applicable listing standards of the New York Stock Exchange ("NYSE") and any other applicable laws and regulations, as of the effective date of such standards, laws and regulations.
2. The members of the Committee, including the Chairperson, are appointed by the Board. The Board may, at any time and in its complete discretion, add or remove any member of the Committee and may fill any vacancy in the Committee.
3. The Committee will meet at least two times each year, or more frequently as circumstances require. The timing of the meetings will be determined by the Committee. Any action required or permitted to be taken at a meeting may be taken without a meeting in accordance with the Company's By-laws and applicable law.
4. A majority of the total number of members constitutes a quorum of the Committee. A majority of the members of the Committee is empowered to act on behalf of the Committee. The Committee may delegate any of its responsibilities, as it deems appropriate, to a subcommittee composed of one or more members. Minutes will be kept of each meeting of the Committee.

C. Responsibilities

The primary responsibilities of the Committee are as follows:

1. Ensure that the Company's executive compensation programs are designed to enable it to recruit, retain and motivate a group of talented and diverse domestic and international executives.
2. Ensure that Company's executive compensation programs are appropriately competitive, support organization objectives and shareholder interests, and provide linkage between compensation and both individual and Company performance.
3. Adopt, amend and administer any cash incentive compensation plans that apply to the Chairman and Chief Executive Officer ("CEO") and other named executive officers (the "Covered Executives").
4. Adopt, amend and administer any equity-based incentive compensation plans that provide for payment in the Company's stock or any plans that are based on the value of the Company's stock, including option plans, other equity-based plans and income deferral plans, subject to any shareholder approval required by applicable laws, regulations or NYSE listing standards.

5. Adopt, amend and administer the Company's employee benefit programs including any pension or welfare benefit plan. Appoint and monitor the fiduciaries of the Company's employee benefit plans that are subject to the Employee Retirement Income Security Act.
6. Seek the assistance and counsel of independent advisors, including compensation consultants, at the Company's expense, as the Committee or Committee Chair determines is necessary to carry out its duties. The Committee will approve the fees and other terms of retention of such advisors.
7. In cooperation with the Nominating and Corporate Governance Committee, advise the Board in its periodic evaluation of the performance of the Chairman and CEO and report the Board's findings and recommendations to the Chairman and CEO. Approve the base salary of the Chairman and CEO in light of this evaluation.
8. Annually evaluate the performance of the other Covered Executives and approve their base salaries.
9. Approve annual performance goals and objectives and maximum annual incentive awards for the Chairman and CEO and other Covered Executives. Certify year-end performance and determine annual incentive awards for the Chairman and CEO and Covered Executives.
10. Review performance targets and goals for annual incentive awards to other executives and approve the aggregate award pool for such executives.
11. Approve long-term compensation awards under any equity-based plans, subject to any delegation pursuant to Section 12 of this Charter.
12. Delegate matters within its power and responsibility, as appropriate, directly to the Chairman and/or CEO, the Senior Vice President and Chief Personnel Officer, or to his or her delegates, or to the Pension Investment Committee or other management committees composed of Company employees. Such delegation will be subject to any applicable laws, regulations or NYSE listing standards and subject to limitations imposed by any plan or document.
13. Establish Chairman and CEO and key executive succession plans, including plans in the event of an emergency, resignation or retirement. Review management development plans for key executives.
14. Receive periodic updates and provide guidance on other programs and initiatives, such as diversity and labor relations.
15. Report to shareholders in the Company's annual proxy statement on those Committee matters required by Securities and Exchange Commission rules.
16. Annually assess the performance and effectiveness of the Committee. Periodically review this Charter, update it as appropriate, and submit it to the Board for approval when updated.
17. Regularly report Committee actions to the Board, with such recommendations as the Committee deems appropriate.
18. Undertake such other responsibilities or tasks as the Board may delegate or assign to the Committee from time to time.