

## **PEPSICO, INC.**

### **AUDIT COMMITTEE CHARTER**

(As amended, effective November 17, 2011)

#### **Committee Member Qualifications**

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of PepsiCo, Inc. (the "Corporation") shall be comprised of members with the following qualifications:

1. The Committee shall consist entirely of independent Directors of the Board. For purposes hereof, an "independent" Director is a Director who meets the New York Stock Exchange and Securities and Exchange Commission definitions of independence for directors and audit committee members, as determined by the Board.
2. Each member of the Committee shall be free of any relationship that, in the judgment of the Board, would interfere with the exercise of his or her independent judgment.
3. Each member of the Committee shall also satisfy, in the judgment of the Board, the financial literacy requirements of the New York Stock Exchange.
4. At least one member of the Committee shall, in the judgment of the Board, qualify as an "audit committee financial expert" as defined by the Securities and Exchange Commission.

#### **Committee Purpose**

The purpose of the Committee is to assist the Board's oversight of:

1. The quality and integrity of the Corporation's financial statements and its related internal controls over financial reporting.
2. The Corporation's compliance with legal and regulatory requirements.
3. The independent auditors' qualifications and independence.
4. The performance of the Corporation's internal audit function and the independent auditors.

The Committee also shall prepare the report required by the Securities and Exchange Commission to be included in the Corporation's annual proxy statement.

#### **Committee Responsibilities**

In addition to the purposes set forth above, the primary responsibilities of the Committee shall be to:

##### **Independent Auditors**

1. Appoint, compensate, retain, oversee the work of and terminate the Corporation's independent auditors (taking into account the vote on shareholder ratification), which shall report directly to the Committee.

2. Exercise the Committee's sole authority to approve all audit engagement fees and terms as well as permissible non-audit engagements with the independent auditors.
3. At least annually, consider the independence of the independent auditors, and obtain and review a report from such independent auditors describing (to assess the auditor's independence) all relationships between the independent auditors and the Corporation or individuals in financial reporting oversight roles at the Corporation, that may reasonably be thought to bear on the independent auditors' independence, and discuss with them the potential effects of any such relationships on independence.
4. At least annually, obtain and review a report by the independent auditors describing: the firm's internal quality-control procedures; and any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
5. Review the audit plans and activities of the independent auditors and the coordination of their audit efforts.
6. Review and discuss with the independent auditors any audit problems or difficulties and management's response.
7. Establish and maintain hiring policies for employees or former employees of independent auditors.

#### **Financial Reporting and Disclosure**

8. Meet with management and the independent auditors to review and discuss the Corporation's annual and quarterly financial statements, including management judgments and accounting estimates, significant new accounting policies, significant changes in accounting principles or their application, reviewing the Corporation's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and management's certification of such statements.
9. Review regularly the independent auditors' report submitted to the Committee regarding the Corporation's critical accounting policies and practices, alternative treatments of financial information that have been discussed with management, and written communications between the Corporation's management and the independent auditors.
10. Review with the independent auditors their reports on the annual and quarterly financial statements and all communications required of the independent auditors; and discuss with the independent auditors and management their judgment as to the quality of the Corporation's accounting policies, including the application of the Corporation's accounting policies.
11. Review and discuss earnings press releases, and review and discuss on a general basis the types of information disclosed in, and the types of presentations to be made for, earnings press releases, as well as financial information or earnings guidance provided to analysts and ratings agencies.
12. Review with management, the independent auditors and the senior-most Internal Auditor, the adequacy of the Corporation's internal controls, disclosure processes and management's responses with respect to recommendations for internal control improvements.

13. Based on the Committee's review and discussion, recommend to the Board that the annual financial statements be included in the Corporation's Annual Report on Form 10-K.
14. Assist the Board's oversight of the Corporation's compliance with respect to its financial reporting and disclosure processes, disclosure requirements and internal control systems. Review (A) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles, and major issues as to the adequacy of the Corporation's internal controls and any special audit steps adopted in light of material control deficiencies; (B) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; and (C) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Corporation.

#### **Internal Audit**

15. Review and approve the audit plans and activities of the internal auditors and the coordination of their audit efforts.
16. Review and approve the performance, appointment or replacement of the Corporation's senior-most Internal Auditor.
17. Review and approve the internal audit department's staffing, budget and responsibilities.

#### **Compliance Oversight**

18. At least annually, review and discuss the implementation and effectiveness of the Corporation's compliance program with the Corporation's General Counsel and Chief Compliance Officer, who each have the authority to communicate directly to the Committee, promptly, about reports that involve actual and alleged violations of the Corporation's Worldwide Code of Conduct, including any reports involving criminal or potential criminal conduct, or possible violations of the federal securities laws.
19. Review with the senior-most Internal Auditor and the Chief Compliance Officer the results of reviews by the internal auditors or independent auditors of (a) officers' expense accounts and use of corporate assets and (b) key employees' compliance with the Corporation's Worldwide Code of Conduct.
20. Establish procedures for the Committee to receive, retain and respond to complaints regarding the preparation of financial statements, accounting, internal accounting controls, and auditing matters.
21. Establish procedures for the Committee to receive, retain and respond to the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
22. Respond to reports of evidence by an attorney representing the Corporation before the Securities and Exchange Commission of a violation of securities laws or breach of fiduciary duty or similar violation by the Corporation or any agent thereof if such evidence is reported to the Corporation's General Counsel or Chief Executive Officer and an appropriate response is not received.

### **Other Responsibilities**

23. Assist the Board's oversight of strategic, financial, operating, business, compliance, safety, reputational and other risks facing the Corporation and the Corporation's risk management processes.
24. Review related person transactions, as defined in applicable Securities and Exchange Commission rules and in accordance with the Corporation's Related Person Transaction Policies and Procedures.
25. Provide an open avenue of communication among the Corporation's independent auditors, financial and senior management, the internal auditing department, and the Board. The Committee Chairperson shall act as the primary contact between the Committee and the independent auditors, financial and senior management, the internal auditing department and the Board.
26. Oversee the financial affairs, internal controls and internal and external audits of all employee benefit plans of the Corporation, its subsidiaries and divisions and appoint and monitor the named fiduciaries of such plans, which responsibilities the Committee may delegate in such manner and to such entities as it determines in its sole discretion.
27. Conduct or authorize investigations into any matters within the Committee's scope of responsibilities.
28. Consider such other matters with respect to the Corporation's financial affairs, internal controls and the internal and external audits as the Committee may deem advisable.
29. Annually assess and report to the Board on the performance and effectiveness of the Committee.
30. Review this Charter on an annual basis, update it as appropriate, and submit it for the approval of the Board when updated.
31. Undertake such other responsibilities or tasks as the Board may delegate or assign to the Committee from time to time.

### **General**

1. The Committee shall include not less than three (3) members of the Board.
2. The Chairperson shall be appointed by the Board.
3. The Committee shall meet at least four (4) times each year, or more frequently as circumstances require.
4. The timing of the meetings shall be determined by the Committee and the Board. The Committee, however, will meet at any time that the independent auditors believe communication to the Committee is required.
5. The Board may at any time and in its complete discretion remove any member of the Committee and may fill any vacancy in the Committee.
6. A majority of the total number of Committee members shall constitute a quorum of the Committee.

7. A majority of the members of the Committee shall be empowered to act on behalf of the Committee.
8. The Committee may obtain advice and assistance from outside legal, accounting, or other advisers as is necessary and appropriate and approve fees, at the Corporation's expense, for such advisers engaged by the Committee and for the payment of ordinary administrative expenses that are necessary or appropriate in carrying out the Committee's duties.
9. The Committee will meet, at least quarterly, with the independent auditors and with members of management, including but not limited to the Chief Financial Officer, the senior-most Internal Auditor, and the General Counsel, in separate sessions to discuss any matters which the Committee or these groups believe should be discussed privately with the Committee.
10. Minutes shall be kept of each meeting of the Committee, and the Committee shall regularly provide reports of its actions to the Board.