

## PEPSICO, INC.

### COMPENSATION COMMITTEE CHARTER

(As amended, effective November 17, 2011)

#### **Committee Member Qualifications**

The Compensation 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 who also are "outside directors" for purposes of Section 162(m) of the Internal Revenue Code and "non-employee directors" for purposes of Section 16 of the Securities Exchange Act of 1934 ("Section 16"). For purposes hereof, an "independent" Director is a Director who meets the New York Stock Exchange definition of independence, as determined by the Board.
2. Each member shall be free of any relationship that, in the judgment of the Board, would interfere with the exercise of his or her independent judgment.

#### **Committee Purpose**

The purpose of the Committee is to:

1. Oversee the policies of the Corporation relating to compensation of the Corporation's executives and make recommendations to the Board, as appropriate, with respect to such policies.
2. Produce a report on executive compensation for inclusion in the Corporation's proxy statement, in accordance with applicable rules and regulations.

#### **Committee Responsibilities**

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

1. Provide that the Corporation's executive compensation programs are designed to enable it to recruit, retain and motivate a large group of talented and diverse domestic and international executives.
2. Provide that the Corporation's executive compensation programs are appropriately competitive, support organization objectives and shareholder interests, and create a pay for performance linkage.
3. Periodically review and approve a group of companies for executive compensation competitive comparisons, approve target pay and performance objectives against this group (and broader industry references), and monitor the Corporation's executive compensation levels and its performance relative to this group.
4. Develop and recommend to the Board for its consideration any cash incentive compensation plans and equity-based plans, subject to any approvals required by the shareholders of the Corporation, and administer such plans with such authority and powers as are set forth in the respective plans' instruments, including granting equity awards, establishing performance metrics and determining payouts.
5. Oversee the design of all employee benefit plans and programs of the Corporation, its subsidiaries and divisions, including the authority to adopt, amend and terminate such plans and programs (unless approval by the Board or shareholders of the Corporation is required by law), except that the Audit Committee has been assigned the responsibility to appoint and

oversee the investment and administrative fiduciaries for such employee benefits plans and programs.

6. Review and approve annual and long-term individual and corporate performance goals and other objectives relevant to the CEO's compensation, evaluate and discuss with the independent members of the Board the individual annual and long-term performance of the CEO, as well as the annual and long-term performance of the Corporation, in light of the goals and objectives set by the Committee, and recommend the CEO's compensation to the independent members of the Board based on the CEO's performance.
7. Meet at least annually with the CEO to discuss the CEO's self-assessment in achieving individual and corporate performance goals and objectives.
8. Oversee the evaluation of the executive officers<sup>1</sup> and other key executives deemed to be under the Committee's purview (other than the CEO), and evaluate and approve, based on the recommendation of the CEO, the individual elements of total compensation, including special benefit and perquisite practices, and the hiring and termination terms for such officers.
9. Periodically review the Corporation's compensation policies and practices for employees to assess whether such policies and practices could lead to unnecessary risk-taking behavior.
10. Develop, approve and oversee the Corporation's stock ownership guidelines for the Corporation's executives.
11. Review and discuss with management the Compensation Discussion and Analysis, and, based on such review and discussion, recommend to the Board that the Compensation Discussion and Analysis be included in the Corporation's proxy statement.
12. Oversee shareholder communications on executive compensation matters, including with respect to shareholder votes on executive compensation, and assess the results of the Corporation's most recent advisory vote on executive compensation.
13. Annually assess and report to the Board on the performance and effectiveness of the Committee.
14. Review this Charter on an annual basis, update it as appropriate, and submit it for the approval of the Board when updated.
15. Undertake such other responsibilities or tasks as the Board may delegate or assign to the Committee from time to time.

### **General**

1. The Chairperson shall be appointed by the Board.
2. The Committee shall meet at least four (4) times each year, or more frequently as circumstances require.
3. The timing of the meetings shall be determined by the Committee and the Board.
4. 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.

<sup>1</sup> The term "executive officer" has the meaning specified for the term "officer" in Rule 16a-1(f) under the Securities Exchange Act of 1934.

5. A majority of the total number of Committee members shall constitute a quorum of the Committee.
6. A majority of the members of the Committee shall be empowered to act on behalf of the Committee.
7. The Committee may seek the assistance and counsel of legal, compensation or other external advisors, and shall have sole authority to retain and terminate such advisors and to approve such advisors' fees and other retention terms at the Corporation's expense, as the Committee determines is appropriate.
8. Minutes shall be kept of each meeting of the Committee, and the Committee shall regularly provide reports of its actions to the Board.