

# PepsiCo, Inc.

## Audit Committee Charter

(As amended, effective February 5, 2018)

### Committee Membership and Qualifications

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

1. Except as otherwise permitted by applicable rules of The Nasdaq Stock Market LLC (“Nasdaq”), all members shall meet the Nasdaq 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 also satisfy, in the judgment of the Board, Nasdaq’s requirements with respect to financial literacy.
3. 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 accounting and financial reporting processes and internal controls over financial reporting, and the audits of the Corporation’s financial statements.
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. Approve all audit and permissible non-audit services to be performed for the Corporation by the independent auditors.
3. (a) At least annually, consider the independence, qualifications and performance of the independent auditors. Such consideration will include obtaining and reviewing a formal written statement delineating all relationships between the independent auditors and the Corporation, actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and taking, or recommending that the full Board take, appropriate action to oversee the independence of the independent auditors.  
  
(b) Periodically review and evaluate the performance of the lead audit partner of the independent auditor, oversee the required rotation of the lead audit partner responsible for the Corporation’s audit and, through the Committee Chairperson as representative of the Committee, review and consider the selection of the lead audit partner. Periodically consider whether there should be a rotation of the independent auditor.
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 and discuss with the independent auditors any audit problems or difficulties and management's response, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management (including resolution of any such disagreements).
6. Establish and maintain hiring policies for employees or former employees of the independent auditors.

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

7. Meet with management and the independent auditors to review and discuss the Corporation's annual audited and quarterly financial statements, including management judgments and accounting policies, and the specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and any matters related to management's certification of such statements in the Corporation's annual reports on Form 10-K and quarterly reports on Form 10-Q.
8. Review regularly the independent auditors' reports and other communications submitted to the Committee regarding the Corporation's critical accounting policies and practices; alternative treatments of financial information that have been discussed with management; other material written communications between the Corporation's management and the independent auditors; and all other matters required to be communicated by the independent auditor to the Committee under applicable auditing requirements of the Public Company Accounting Oversight Board.
9. Review and discuss earnings press releases, financial information or earnings guidance provided to analysts and ratings agencies, including on a general basis the types of information to be disclosed and presentations to be made to analysts and ratings agencies.
10. Review with management, the independent auditors and the senior-most Internal Auditor, the adequacy and effectiveness of the Corporation's internal controls and disclosure processes.
11. Based on the Committee's review and discussion, recommend to the Board whether the annual audited financial statements should be included in the Corporation's Annual Report on Form 10-K.
12. 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 generally accepted accounting principles 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**

13. Review and approve the internal audit department's audit plan, staffing, budget and responsibilities.

#### **Compliance Oversight**

14. Review periodically the Corporation's compliance with legal and regulatory requirements, by reviewing and discussing the implementation and effectiveness of the Corporation's compliance program, including reports that involve actual and alleged violations of the Corporation's Global Code of Conduct.
15. Receive an update on any significant exceptions identified by the Corporation's internal auditor to officers' use of corporate assets and expense accounts.
16. Establish procedures for the receipt, retention, and treatment of complaints received by the Corporation regarding (a) accounting, internal accounting controls or auditing matters and other federal securities law matters and (b) confidential, anonymous submission by

employees of the Corporation of concerns regarding questionable accounting or auditing matters or other federal securities law matters.

17. 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**

18. Review and assess the guidelines and policies governing the Corporation's risk management and oversight processes, and assist the Board's oversight of, financial, compliance and employee safety risks facing the Corporation.
19. Review and provide oversight of all related person transactions, as defined in applicable Securities and Exchange Commission rules, for potential conflict of interest situations on an ongoing basis in accordance with applicable Nasdaq rules and the Corporation's Related Person Transaction Policies and Procedures.
20. 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.
21. Conduct or authorize investigations into any matters within the Committee's scope of responsibilities.
22. Annually assess and report to the Board on the performance of the Committee.
23. Review and reassess the adequacy of this Charter on an annual basis, update it as appropriate and submit it for the approval of the Board when updated.
24. Undertake such other responsibilities or tasks as the Board may delegate or assign to the Committee from time to time.

#### **General**

1. Except as otherwise permitted by applicable Nasdaq rules, the Committee shall include not less than three (3) members of the Board.
2. The Committee 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 is authorized, without further action by the Board, to engage such independent legal, accounting and other advisers as it deems necessary and appropriate and approve fees, at the Corporation's expense, for such advisors and the independent auditors 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 periodically in separate sessions with the independent auditors, with the internal auditors and with members of management 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.