

Dr Pepper Snapple Group, Inc.
Form DEF 14A
March 29, 2016

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)
[TABLE OF CONTENTS 2](#)

[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
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- (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
-

Table of Contents

March 28, 2016

To our Stockholders:

We are pleased to invite you to attend the annual meeting of stockholders of Dr Pepper Snapple Group, Inc. to be held on Thursday, May 19, 2016 at 10:00 a.m., Central Daylight Time, at the Westin Stonebriar Resort Conference Center, 1549 Legacy Drive, Frisco, Texas 75034.

Details regarding the business to be conducted, information you should consider in casting your vote and how you may vote are more fully described in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

In accordance with rules approved by the Securities and Exchange Commission, this year we are again furnishing proxy materials to our stockholders primarily over the Internet. As a result, we are mailing to many of our stockholders a notice instead of a paper copy of our Proxy Statement and our 2015 Form 10-K. The notice contains instructions on how to access those documents over the Internet. The notice also contains instructions on how each of those stockholders can receive a paper copy of our proxy materials, including our Proxy Statement, our 2015 Form 10-K and a proxy card or voting instruction form. Stockholders who do not receive a notice will receive a paper copy of the proxy materials by mail.

Your vote is important. Whether or not you plan to attend the annual meeting, we hope you will vote as soon as possible.

Thank you for your ongoing support of Dr Pepper Snapple Group.

Sincerely,

Wayne R. Sanders
Chairman of the Board

Larry D. Young
President and Chief Executive Officer

Table of Contents

DR PEPPER SNAPPLE GROUP, INC.
5301 Legacy Drive
Plano, Texas 75024

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Date and Time:

May 19, 2016, 10:00 a.m., Central Daylight Time

Place of Meeting:

Westin Stonebriar Resort Conference Center, 1549 Legacy Drive, Frisco, Texas 75034

Business to be Conducted:

1. To elect David E. Alexander, Antonio Carrillo, Pamela H. Patsley, Joyce M. Roché,

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Ronald G. Rogers, Wayne R. Sanders, Dunia A. Shive, M. Anne Szostak, and Larry D. Young as directors to hold office for a one-year term and until their respective successors shall have been duly elected and qualified.

2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016.
3. To approve an advisory resolution regarding the compensation of our Named Executive Officers as disclosed in these materials.
4. To approve an amendment to the Company's Amended and Restated Certificate of Incorporation.
5. To consider and act upon a stockholder proposal regarding development of a comprehensive strategy for recycling of beverage containers if properly presented at the Annual Meeting.
6. To transact such other business as may properly come before the meeting.

Adjournments and Postponements:

Any action on the business to be conducted may be considered at the date and time of the Annual Meeting as specified above or at any time or date to which the Annual Meeting may be properly adjourned and postponed.

Record Date:

You are entitled to vote at the Annual Meeting if you were a stockholder of record as of the close of business on March 21, 2016.

Voting Rights:

A holder of shares of our common stock is entitled to one vote, in person or by proxy, for each share of our common stock on all matters properly brought before the Annual Meeting.

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

YOUR VOTE IS VERY IMPORTANT.

Whether or not you plan to attend the Annual Meeting, we hope you will vote as soon as possible. You may vote your shares via a toll-free telephone number or over the Internet. If you received a paper copy of a proxy card or voting instruction form by mail, you may submit your proxy card or voting instruction form for the Annual Meeting by completing, signing, dating and returning your proxy card or voting instruction form in the pre-addressed envelope provided. For specific instructions on how to vote your shares, please refer to the section entitled "General Information Questions and Answers How can I vote my shares without attending the Annual Meeting?" on page 8 of the Proxy Statement.

This Notice of Annual Meeting of Stockholders and Proxy Statement and form of proxy are being distributed on or about March 28, 2016.

By Order of the Board of Directors

James L. Baldwin
Corporate Secretary

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE ANNUAL STOCKHOLDERS' MEETING TO BE HELD ON MAY 19, 2016**

The Company's Proxy Statement and Annual Report on Form 10-K for the fiscal year ended December 31, 2015 are available at www.proxyvote.com.

Table of Contents

TABLE OF CONTENTS

<u>PROXY STATEMENT SUMMARY</u>	<u>1</u>
<u>GENERAL INFORMATION QUESTIONS AND ANSWERS</u>	<u>5</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	<u>11</u>
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	<u>13</u>
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	<u>14</u>
<u>CORPORATE GOVERNANCE</u>	<u>18</u>
<u>Corporate Governance Guidelines</u>	<u>18</u>
<u>Code of Conduct</u>	<u>18</u>

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<u>Director Independence</u>	<u>18</u>
<u>Selection of Directors</u>	<u>19</u>
<u>Executive Sessions and Lead Independent Director</u>	<u>20</u>
<u>Attendance at Annual Meeting</u>	<u>20</u>
<u>Board Leadership and Role in Risk Oversight</u>	<u>20</u>
<u>Communications with the Board</u>	<u>20</u>
<u>BOARD COMMITTEES AND MEETINGS</u>	<u>21</u>
<u>Audit Committee</u>	<u>21</u>
<u>Compensation Committee</u>	<u>21</u>
<u>Corporate Governance and Nominating Committee</u>	<u>23</u>
<u>Special Award Committee</u>	<u>24</u>
<u>Capital Transaction Committee</u>	<u>24</u>
<u>2015 Meetings</u>	<u>25</u>
<u>DIRECTOR COMPENSATION</u>	<u>26</u>
<u>BUSINESS EXPERIENCE OF EXECUTIVE OFFICERS</u>	<u>28</u>
<u>PROPOSAL 2 RATIFY THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS</u>	
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2016</u>	<u>30</u>
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S FEES</u>	<u>31</u>
<u>REPORT OF THE AUDIT COMMITTEE</u>	<u>32</u>

Table of Contents

TABLE OF CONTENTS

<u>PROPOSAL 3 APPROVE AN ADVISORY RESOLUTION REGARDING THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	<u>33</u>
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	<u>35</u>
<u>REPORT OF THE COMPENSATION COMMITTEE ON EXECUTIVE COMPENSATION</u>	<u>60</u>
<u>HISTORICAL EXECUTIVE COMPENSATION INFORMATION</u>	<u>61</u>
<u>Summary Compensation Table</u>	<u>61</u>
<u>Grants of Plan-Based Awards</u>	<u>63</u>
<u>Outstanding Equity Awards</u>	<u>64</u>
<u>Options Exercised and Stock Vested</u>	<u>65</u>
<u>Pension Benefits</u>	<u>65</u>
<u>Deferred Compensation</u>	<u>66</u>
<u>Post-Termination Compensation</u>	<u>68</u>
<u>COMPENSATION COMMITTEE INTERLOCKS</u>	<u>74</u>
<u>SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS</u>	<u>75</u>
<u>PROPOSAL 4 APPROVE AN AMENDMENT TO THE AMENDED AND RESTATED CERTIFICATE OF INCORPORATION</u>	<u>76</u>
<u>PROPOSAL 5 STOCKHOLDER PROPOSAL</u>	<u>77</u>
<u>POLITICAL CONTRIBUTIONS</u>	<u>80</u>
<u>RELATED PERSON TRANSACTIONS</u>	<u>81</u>
<u>DELIVERY OF PROXY MATERIALS TO HOUSEHOLDS WITH MULTIPLE STOCKHOLDERS</u>	<u>82</u>
<u>STOCKHOLDER PROPOSALS FOR 2016 ANNUAL MEETING</u>	<u>83</u>
<u>ANNEX I</u>	<u>A-I</u>
<u>ANNEX II</u>	<u>A-II</u>

Table of Contents

PROXY STATEMENT SUMMARY

PROXY STATEMENT SUMMARY

This Proxy Statement Summary is provided to summarize certain information that is discussed in more detail in the Proxy Statement. You should read the Proxy Statement and Annual Report on Form 10-K for the fiscal year ended December 31, 2015 before casting your vote.

MEETING INFORMATION

Annual Meeting of Stockholders

Place: Westin Stonebriar Resort Conference Center
1549 Legacy Drive, Frisco, Texas 75034

Time: May 19, 2016, at 10:00 a.m., Central Daylight Time

Record Date: March 21, 2016

HOW TO VOTE

If you are a stockholder as of the record date, you may cast your vote in one of the following ways:

In Person: If you are attending the Annual Meeting, you may cast your vote in person. If you plan to attend the Annual Meeting, please be aware of the Admission requirements set forth on page 5, under the section entitled "General Information Questions and Answers - Do I need a ticket to attend the Annual Meeting?"

By Internet: Stockholders who have received a Notice, proxy card or voting instruction form may vote over the Internet by visiting the website indicated and following the instructions on the Notice, proxy card or voting instruction form.

By Telephone: Stockholders of record who live in the United States or Canada may submit proxies by telephone by calling (800) 690-6903 and following the instructions. Most stockholders who are beneficial owners of their shares, but not stockholders of record, living in the United States or Canada and who have received a voting instruction form by mail may vote by phone by calling the number specified on the voting instruction form provided by their broker, trustee or nominee.

By Mail: Stockholders who have received a paper copy of a proxy card or voting instruction form by mail may submit proxies by completing, signing and dating their proxy card or voting instruction form and mailing it.

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Telephone and Internet voting facilities for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. (EDT) on May 18, 2016. Votes cast by mail must be received in sufficient time to allow processing.

Table of Contents

PROXY STATEMENT SUMMARY

MATTERS TO BE VOTED UPON AND BOARD RECOMMENDATION

MATTER	BOARD RECOMMENDATION	PAGE REFERENCE TO PROXY STATEMENT
1. To elect David E. Alexander, Antonio Carrillo, Pamela H. Patsley, Joyce M. Roché, Ronald G. Rogers, Wayne R. Sanders, Dunia A. Shive, M. Anne Szostak and Larry D. Young as directors to hold office for a one-year term and until their respective successors shall have been duly elected and qualified.	FOR EACH OF THE NOMINEES	14
2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016.	FOR	30
3. To approve an advisory resolution regarding the compensation of our Named Executive Officers as disclosed in these materials.	FOR	33
4. To approve an amendment to the Company's Amended and Restated Certificate of Incorporation.	FOR	76
5. Stockholder proposal regarding recycling of beverage containers if properly presented at the Annual Meeting.	AGAINST	77

DIRECTOR NOMINEES

NAME	DIRECTOR SINCE	AGE	PRIMARY OCCUPATION	INDEPENDENT	COMMITTEES: AUDIT COMPENSATION	CORPORATE GOVERNANCE AND NOMINATING COMMITTEE
David E. Alexander	November 2011	62	Retired, Former Vice Chairman and Southwest Region Managing Partner, Ernst & Young, LLP	Yes	C	
Antonio Carrillo	February 2015	50	CEO, Mexichem. S.A.B.	Yes	M (2016)	

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Pamela H. Patsley	April 2008	59	Executive Chairman, MoneyGram International	Yes	M	
Joyce M. Roché	February 2011	69	Retired, Former President and CEO, Girls, Inc.	Yes		M
Ronald G. Rogers	May 2008	67	Retired, Former Deputy Chair, Enterprise Risk and Portfolio Management, Bank of Montreal	Yes		M (2015) M (2016)
Wayne R. Sanders	May 2008	68	Retired, Former Chairman and Chief Executive Officer, Kimberly-Clark Corporation	Yes		C
Dunia A. Shive	November 2014	55	Senior VP, TEGNA INC.; formerly President and CEO, Belo Corp.	Yes		M (2016) M (2015)
M. Anne Szostak	May 2008	65	President & CEO, Szostak Partners	Yes		C
Larry D. Young	October 2007	61	President & CEO, Dr Pepper Snapple Group, Inc.	No		

C Chair of the committee.

M Member of the Committee

M (2015) Member of the Committee through February 28, 2015

M (2016) Became a member of the Committee on March 1, 2015

Table of Contents

PROXY STATEMENT SUMMARY

Board of Directors:

All directors elected annually by a majority vote

Board is diverse (44% female, 22% minority)

Board is Independent by a substantial majority (89% independent)

Separate independent Chairman and CEO

Executive sessions of Board held at each regularly scheduled meeting

COMPENSATION

Our executive pay programs are competitive with our peers in the beverage and consumer packaged goods industry. The program design supports our strategy, attracts and retains talent, ensures pay-for-performance alignment and incorporates best practices when appropriate. A significant majority of compensation is at-risk, in the form of an annual incentive (Management Incentive Plan or MIP) and long-term incentive grants of performance stock units (individually "PSU" and collectively, "PSUs"), time based restricted stock units (individually, "RSU" and collectively, "RSUs"), and non-qualified stock options ("options"). The annual and long-term incentive metrics map directly to our approach for generating stockholder value. The total compensation opportunity is positioned competitively. Our incentive plan structure supports our strategy of seeking profitable growth, maintaining prudent capital management and returning cash to stockholders. The compensation mix favors long-term incentives ("LTI") relative to peer group norms. Our equity awards are used to align the interests of management and stockholders over the long term. Stockholder alignment is further enhanced through our stock ownership guidelines. Incentive plans use a balanced mix of metrics to capture the totality of corporate performance and prevent unbalanced incentives due to too few metrics. For a full discussion of our compensation programs and our performance in 2015, see the "*Compensation Discussion and Analysis*" commencing on page 35.

Compensation Design

Compensation programs emphasize variable pay with incentive program outcomes demonstrating alignment to stockholder returns

Balanced mix of incentive metrics in annual and long-term programs, as well as balanced equity portfolio (PSUs, RSUs and options), incentivize prudent risk taking

Director and Officer Stock Ownership Guidelines

Equity Award Procedures

Insider trading policy, including anti-hedging provisions

Clawback policy

Performance

The Company continued to deliver results on key financial metrics (net income, income from operations, cash flow yield) at or close to record levels

Strong financial performance allowed the Company to outperform peers in peer group shareholder returns

Table of Contents

PROXY STATEMENT SUMMARY

NAMED EXECUTIVE OFFICERS

Our named executive officers as reflected in the Proxy Statement are:

Larry D. Young, President and CEO

Martin M. Ellen, Executive Vice President and Chief Financial Officer

Rodger D. Collins, President, Packaged Beverages

James J. Johnston, President, Beverage Concentrates and Latin America Beverages

Derry L. Hobson, Executive Vice President, Supply Chain

These persons are sometimes herein collectively referred to in this Proxy Statement as "Named Executive Officers" or "NEOs" and individually as "NEO".

Table of Contents

GENERAL INFORMATION QUESTIONS AND ANSWERS

Why did I receive this Proxy Statement?

This Proxy Statement is being made available to you over the Internet or paper copies of these materials are being delivered to you by mail as a stockholder of record, as of March 21, 2016 (the "record date"), of Dr Pepper Snapple Group, Inc., a Delaware corporation (referred to in this Proxy Statement as the "Company," "we," "us" or "our"), in connection with the solicitation by our Board of Directors (referred to in this Proxy Statement as the "Board") of proxies to be voted at the Annual Meeting of Stockholders to be held on May 19, 2016 (referred to in this Proxy Statement as the "Annual Meeting"). This Proxy Statement will be mailed on or about March 31, 2016 to our stockholders of record on the record date. As a stockholder of record on the record date, you are invited to attend the Annual Meeting and are entitled to and are requested to vote on the items of business described in this Proxy Statement.

When and where is the Annual Meeting to be held?

The Annual Meeting will be held at the Westin Stonebriar Resort Conference Center, 1549 Legacy Drive, Frisco, Texas 75034 on May 19, 2016, at 10:00 a.m., Central Daylight Time, or at any adjournments thereof, for the purposes stated in the Notice of Annual Meeting of Stockholders.

Do I need a ticket to attend the Annual Meeting?

You will need an admission ticket or proof of ownership of our common stock to enter the Annual Meeting. If you hold shares directly in your name as a stockholder of record and have received a copy of our proxy materials, an admission ticket is attached to your printed proxy card. If you plan to attend the Annual Meeting, please vote your proxy prior to the Annual Meeting but keep the admission ticket and bring it with you to the Annual Meeting.

If your shares are held beneficially in the name of a broker, trustee or other nominee and you wish to be admitted to the Annual Meeting, you will have to bring either a copy of the voting instruction form provided by your broker, trustee or other nominee, or a copy of a brokerage statement showing your ownership of our common stock as of March 21, 2016.

If you are representing an entity holding shares, then you must present a proxy signed by that entity evidencing that you are authorized to attend the Annual Meeting and vote the shares or are otherwise representing the entity at the Annual Meeting. If you are representing an entity whose shares are held beneficially in the name of a broker, trustee or other nominee you will have to bring either a copy of the voting instruction form provided by such entity's broker, trustee or other nominee, or a copy of a brokerage statement showing the entity's ownership of our common stock as of March 21, 2016, in addition to the proxy signed by the entity you are representing.

All stockholders must also present a form of photo identification, such as a valid driver's license or passport, in order to be admitted to the Annual Meeting.

Table of Contents

GENERAL INFORMATION QUESTIONS AND ANSWERS

Are Proxy Materials available via the Internet?

Under rules adopted by the Securities and Exchange Commission (the "SEC"), we primarily furnish proxy materials to our stockholders on the Internet, rather than mailing paper copies of the materials to each stockholder, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2015 (the fiscal year ended December 31, 2015 is sometimes herein referred to as "2015" or "fiscal year 2015"), which was filed with the SEC on February 23, 2016 (our "2015 Form 10-K"). If you received a notice regarding the availability of proxy materials (the "Notice") by mail or electronic mail, you will not receive a paper copy of these proxy materials unless you request one. Instead, the Notice will instruct you as to how you may access such materials over the Internet and vote your shares. The Notice will also instruct you as to how you may access your proxy card to vote over the Internet. If you received a Notice by mail or electronic mail and would like to receive a paper copy of our proxy materials, free of charge, please follow the instructions included in the Notice.

What information is contained in this Proxy Statement?

This Proxy Statement provides our stockholders with information about when and where we will hold the Annual Meeting. Additionally, this Proxy Statement:

includes information regarding the matters that will be discussed and voted on at the Annual Meeting, and

provides information about the Company that our stockholders should consider in order to make an informed decision at the Annual Meeting.

What should I do if I receive more than one Notice about the Internet availability of the proxy materials or more than one paper copy of the proxy materials?

You may receive more than one Notice (either by mail or electronic mail) or more than one paper or electronic copy of the proxy materials, including multiple paper copies of this Proxy Statement and multiple proxy cards or voting instruction forms. For example, if you hold your shares in more than one brokerage account, you may receive a separate Notice or a separate voting instruction form for each brokerage account in which you hold shares. If you are a stockholder of record and your shares are registered in more than one name, you may receive more than one Notice or more than one proxy card. If you hold your shares through a broker, trustee or another nominee, rather than owning shares registered directly in your name, you are considered the beneficial owner of shares held in street name. As the beneficial owner, you are entitled to direct the voting of your shares by your intermediary. Your intermediary will forward the proxy materials to you with a voting instruction form or provide electronic access to the materials and to voting facilities. To vote all of your shares by proxy, you must complete, sign, date and return each proxy card and voting instruction form that you receive. If you receive a Notice and have not received a proxy card for the shares represented by the Notice, you can vote the shares by Internet.

How may I obtain a copy of the Company's 2015 Form 10-K and other financial information?

Stockholders may request a free copy of our 2015 Form 10-K by writing to us at the following address:

Dr Pepper Snapple Group, Inc.
Attn: Investor Relations
5301 Legacy Drive
Plano, Texas 75024

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Alternatively, stockholders can access our 2015 Form 10-K and other financial information on the Investors section of our website at:

www.drpeppersnapplegroup.com

The Company also will furnish any exhibit to our 2015 Form 10-K if specifically requested.

Table of Contents

GENERAL INFORMATION QUESTIONS AND ANSWERS

What items of business will be voted on at the Annual Meeting?

The items of business scheduled to be voted on at the Annual Meeting are:

- Proposal 1:** To elect David E. Alexander, Antonio Carrillo, Pamela H. Patsley, Joyce M. Roché, Ronald G. Rogers, Wayne R. Sanders, Dunia A. Shive, M. Anne Szostak and Larry D. Young as directors to hold office for a one-year term and until their respective successors shall have been duly elected and qualified.
- Proposal 2:** To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016.
- Proposal 3:** To approve an advisory resolution regarding the compensation of our Named Executive Officers as disclosed in these materials.
- Proposal 4:** To approve an amendment to the Company's Amended and Restated Certificate of Incorporation to conform to recent Delaware case law.
- Proposal 5:** To consider and act upon a stockholder proposal regarding recycling of beverage containers if properly presented at the Annual Meeting.

We also will consider any other business that properly comes before the Annual Meeting.

How does the Board recommend that I vote?

The Board unanimously recommends a vote:

1. **FOR** each of the nominees for director listed in these materials and on the proxy card;
2. **FOR** the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016;
3. **FOR** the approval, on an advisory basis, of the resolution regarding compensation of our Named Executive Officers as disclosed in this Proxy Statement;
4. **FOR** the approval of an amendment to the Company's Amended and Restated Certificate of Incorporation; and
5. **AGAINST** the stockholder proposal regarding recycling of beverage containers if properly presented at the Annual Meeting.

What shares can I vote at the Annual Meeting?

The Board has fixed the close of business on March 21, 2016 as the record date for the Annual Meeting. Only holders of record of the outstanding shares of our common stock at the close of business on the record date are entitled to vote at the Annual Meeting or any adjournments thereof.

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As of the close of business on the record date, we had 187,184,008 shares of common stock, \$0.01 par value per share, issued and outstanding. A holder of shares of our common stock is entitled to one vote, in person or by proxy, for each share of our common stock on all matters properly brought before the Annual Meeting.

How can I vote my shares at the Annual Meeting?

Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting. Shares for which you are the beneficial owner, but not the stockholder of record, may be voted in person at the Annual Meeting only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also vote by proxy as described below so that your vote will be counted if you later decide not to attend the Annual Meeting. Voting in person will replace any votes that you previously submitted by proxy.

Table of Contents

GENERAL INFORMATION QUESTIONS AND ANSWERS

How can I vote my shares without attending the Annual Meeting?

Whether you hold shares directly as the stockholder of record or through a broker, trustee or other nominee as the beneficial owner, you may direct how your shares are voted by proxy without attending the Annual Meeting. There are three ways to vote by proxy:

By Internet Stockholders who have received a Notice by mail may submit proxies over the Internet by following the instructions on the Notice. Stockholders who have received a Notice by e-mail may submit proxies over the Internet by following the instructions included in the e-mail. Stockholders who have received a paper copy of a proxy card or voting instruction form by mail may submit proxies over the Internet by following the instructions on the proxy card or voting instruction form.

By Telephone Stockholders of record who live in the United States or Canada may submit proxies by telephone by calling (800) 690-6903 and following the instructions. Stockholders of record who have received a Notice by mail must have the control number that appears on their Notice available when voting. Stockholders of record who received Notice by e-mail must have the control number included in the e-mail available when voting. Stockholders of record who have received a proxy card by mail must have the control number that appears on their proxy card available when voting. Most stockholders who are beneficial owners of their shares, but not stockholders of record, living in the United States or Canada and who have received a voting instruction form by mail may vote by phone by calling the number specified on the voting instruction form provided by their broker, trustee or nominee. Those stockholders should check the voting instruction form for telephone voting availability.

By Mail Stockholders who have received a paper copy of a proxy card or voting instruction form by mail may submit proxies by completing, signing and dating their proxy card or voting instruction form and mailing it in the accompanying pre-addressed envelope.

Telephone and Internet voting facilities for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. (EDT) on May 18, 2016. Votes cast by mail must be received in sufficient time to allow processing. Votes received by mail prior to the day of the Annual Meeting will be processed, but votes received the day of the Annual Meeting may not be processed depending on the time received. Shares represented by duly executed proxies in the accompanying proxy card or voting instruction form will be voted in accordance with the instructions indicated on such proxies or voting instruction forms and, if no such instructions are indicated thereon, will be voted (i) **FOR** each of the nominees for election to the Board, (ii) **FOR** ratification of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016, (iii) **FOR** the approval, on an advisory basis, of the compensation of our Named Executive Officers as disclosed in these materials, (iv) **FOR** the approval of the amendment to the Company's Amended and Restated Certificate of Incorporation to conform to recent Delaware case law and (v) **AGAINST** the stockholder proposal regarding recycling of beverage containers.

How many shares must be present or represented to conduct business at the Annual Meeting?

The presence, in person or by proxy, of the holders of a majority of the issued and outstanding shares of our common stock entitled to vote at the Annual Meeting or any adjournment thereof is necessary to constitute a quorum to transact business.

Abstentions and broker non-votes (shares held by brokers, trustees or other nominees as to which they have no discretionary power to vote on a particular matter and have received no instructions from the beneficial owners of such shares or persons entitled to vote on the matter) will be counted for the purpose of determining whether a quorum is present. If your shares are held by a broker, trustee or other nominee on your behalf and you do not instruct the broker, trustee or other nominee as to how to vote these shares on Proposal 1 (the election of directors), Proposal 3 (the approval of the resolution regarding the compensation of our Named Executive Officers), Proposal 4 (the approval of the amendment to the Company's Amended and Restated Certificate of Incorporation to conform to recent Delaware case law), or Proposal 5 (the stockholder proposal regarding recycling of beverage containers), the broker, trustee or other nominee may not exercise discretion to vote for or

Table of Contents

GENERAL INFORMATION QUESTIONS AND ANSWERS

against those proposals. This would be a "broker non-vote" and these shares will not be counted as having been voted on the applicable proposal. Please instruct your broker, trustee or other nominee so your vote can be counted. With respect to Proposal 2 (ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016), the broker, trustee or other nominee may exercise its discretion to vote for or against that proposal in the absence of your instruction.

What is the voting requirement to approve each of the proposals?

The following voting requirements will be in effect for each proposal described in this Proxy Statement:

Proposal 1. To be elected, a director must receive the affirmative vote of the holders of a majority of our common stock having voting power present in person or represented by proxy and which have actually voted (the number of shares voted "for" a director nominee must exceed the number of votes cast "against" that nominee).

Proposal 2. Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm requires the affirmative vote of the holders of a majority of our common stock present in person or represented by proxy and which has actually voted (the number of shares voted "for" ratification must exceed the number of votes cast "against" ratification).

Proposal 3. The advisory (non-binding) resolution to approve the compensation of our Named Executive Officers as disclosed in this Proxy Statement requires the affirmative vote of the holders of a majority of our common stock which has voting power present in person or represented by proxy and which has actually voted (the number of shares voted "for" the resolution must exceed the number of votes cast "against" the resolution).

Proposal 4. The approval of the amendment to the Company's Amended and Restated Certificate of Incorporation to conform to recent Delaware case law requires the affirmative vote of the holders of two thirds ($\frac{2}{3}$ rds) of all outstanding shares of our common stock entitled to vote thereon.

Proposal 5. The non-binding stockholder proposal regarding recycling of beverage containers requires the affirmative vote of the holders of a majority of our common stock which has voting power present in person or represented by proxy and which has actually voted (the number of shares voted "for" the proposal must exceed the number of votes cast "against" the proposal).

What if I want to change my vote?

If the enclosed proxy card or voting instruction form is signed and returned, you may, nevertheless, revoke it at any time prior to the Annual Meeting by (i) filing a written notice of revocation with the person or persons named on the proxy card or voting instruction form, (ii) attending the Annual Meeting and voting the shares covered thereby in person, or (iii) delivering to the addressee named in the enclosed proxy card or voting instruction form another duly executed proxy card or voting instruction form dated subsequent to the date of the proxy card or voting instruction form to be revoked.

Who will pay for this solicitation?

The cost of preparing, assembling, printing and mailing this Proxy Statement and the enclosed proxy card and the cost of soliciting proxies related to the Annual Meeting will be borne by us. We will request brokers, trustees or other nominees to solicit their customers who are beneficial owners of shares of common stock listed of record in the name of the broker, trustee or other nominee and will reimburse such brokers, trustees or other nominees for the reasonable out-of-pocket expenses for such solicitation.

Who will serve as inspector of elections?

The inspector of elections will be a representative from Broadridge Financial Solutions, Inc.

Table of Contents

GENERAL INFORMATION QUESTIONS AND ANSWERS

What happens if additional matters are presented at the Annual Meeting?

Other than the five items of business described in this Proxy Statement, we are not aware of any other business to be acted upon at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, James L. Baldwin, Martin M. Ellen and Larry D. Young, will have the discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting. If for any reason any of our director nominees is not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the Board.

Table of ContentsSECURITY OWNERSHIP OF
CERTAIN BENEFICIAL
OWNERS AND
MANAGEMENT

The following table sets forth, as of March 21, 2016, the record date, certain information with respect to the shares of our common stock beneficially owned by (i) stockholders known to us to own more than 5% of the outstanding shares of our common stock, (ii) each of our directors and Named Executive Officers and (iii) all of our executive officers and directors as a group.

NAME	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP OF COMMON STOCK	PERCENT OF CLASS
BENEFICIAL OWNERS OF MORE THAN 5% OF OUR COMMON STOCK		
The Vanguard Group, Inc. ⁽¹⁾ 100 Vanguard Blvd Malvern, PA 19355	17,114,272	9.0%
BlackRock Inc. ⁽²⁾ 40 East 52nd Street New York, NY 10022	15,952,922	8.4%
Cedar Rock Capital Limited ⁽³⁾ c/o Meteora Partners LLP 1 st Floor 64 North Road London W1K 7DA United Kingdom	11,917,160	6.3%

SECURITY OWNERSHIP OF MANAGEMENT

DIRECTORS:

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Wayne R. Sanders	34,188	*
David E. Alexander ⁽⁴⁾	10,671	*
Antonio Carrillo ⁽⁵⁾		*
Pamela H. Patsley	14,429	*
Joyce M. Roché	9,990	*
Ronald G. Rogers	22,974	*
Dunia A. Shive	700	*
M. Anne Szostak ⁽⁶⁾	21,623	*

Table of Contents

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

NAME	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP OF COMMON STOCK	PERCENT OF CLASS
NAMED EXECUTIVE OFFICERS:		
Larry D. Young ⁽⁷⁾	354,690	*
Martin M. Ellen ⁽⁷⁾⁽⁸⁾	141,866	*
Rodger L. Collins ⁽⁷⁾	213,598	*
James J. Johnston ⁽⁷⁾	81,457	*
Derry L. Hobson ⁽⁷⁾	29,932	*
All other Executive Officers (4 persons) ⁽⁷⁾	222,161	*
All Executive Officers and Directors as a Group (17 persons)	1,158,279	*

*
Less than 1%

(1) *Based on a Schedule 13G/A filed by the stockholder with the SEC on February 11, 2016. Such stockholder has indicated that it beneficially owns 17,114,272 shares, has sole voting power with respect to 354,164 shares, has shared voting power with respect to 20,400 shares, has sole dispositive power with respect to 16,731,330 shares and has shared dispositive power with respect to 382,942 shares.*

(2) *Based on a Schedule 13G/A filed by the stockholder with the SEC on February 10, 2016. Such stockholder has indicated that it beneficially owns 15,952,922 shares, has sole voting power with respect to 13,279,850 shares and has sole dispositive power with respect to 15,952,922 shares.*

(3) *Based on a Schedule 13G/A filed by the stockholder with the SEC on February 16, 2016. Such stockholder has indicated that it beneficially owns, has shared voting power and has shared dispositive power with respect to 11,917,160 shares.*

(4) *The shares shown are owned by The David and Sandra Alexander Revocable Trust, and Mr. Alexander has a pecuniary interest in the trust.*

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(5) *Mr. Carillo joined the Board in February 2015 and presently owns no shares of common stock, but has received RSU awards, which have not vested.*

(6) *These shares are owned by the M. Anne Szostak Trust (the "Trust"). Ms. Szostak has a pecuniary interest in the Trust.*

(7) *Includes the following shares related to stock options, granted under the Omnibus Stock Incentive Plan of 2009 that the Named Executive Officers and other executive officers have the right to exercise as of March 21, 2016 or will have the right to exercise within 60 days after March 21, 2016.*

**EXERCISABLE
OPTIONS**

<i>Larry D. Young</i>	<i>170,153</i>
<i>Martin M. Ellen</i>	<i>68,808</i>
<i>Rodger L. Collins</i>	<i>79,813</i>
<i>James J. Johnston</i>	<i>40,796</i>
<i>Derry L. Hobson</i>	<i>25,040</i>
<i>Other Executive Officers</i>	<i>70,502</i>

(8) *Martin Robin Partners, L.P., a limited partnership in which Mr. Ellen has a pecuniary interest, owns 67,000 shares. The remaining 6,058 shares are owned by Mr. Ellen individually.*

Table of Contents

SECTION 16(a) BENEFICIAL
OWNERSHIP REPORTING
COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires our directors, certain officers and persons who beneficially own more than 10% of our outstanding common stock to file with the SEC initial reports of ownership and reports of changes in ownership of our common stock held by such persons. These persons are also required to furnish us with copies of all forms they file under this regulation. To our knowledge, based solely on a review of the copies of such reports furnished to us and without further inquiry, during 2015 all required forms for our current filing persons were filed on time.

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

Director Nominees

Each of our directors is elected annually. The terms of each of the directors will expire at the next annual meeting of stockholders following the fiscal year ended December 31, 2016. The Corporate Governance and Nominating Committee has reviewed the background of all of our nominees for director and determined that they individually possess the personal and professional attributes necessary to be a director. Further, the Corporate Governance and Nominating Committee has reviewed the experience of the members of the Board and determined that they collectively possess the qualifications and skills necessary for the Board. Set forth below is detailed biographical information for each of the nominees for director and a summary of the qualifications and skills demonstrated by each director's experience *{ages are as of the date of the Annual Meeting}*.

David E. Alexander

Mr. Alexander, age 62, has served as one of our directors since November 2011. Mr. Alexander has served as Chairman of the Audit Committee since March 2013. Mr. Alexander served in various positions with Ernst & Young L.L.P. between 1975 and 2011. From 2002 until his retirement in 2011, he served as Vice Chairman and Southwest Region Managing Partner and was a member of the firm's Americas and U.S. Executive Boards and Global Management Group. Since 2003, Mr. Alexander has served as a member of the executive board of Southern Methodist University's Cox Business School. From 2009 until 2012, Mr. Alexander served as a national trustee on the board of Boys & Girls Clubs of America and as a board member of the American Heart Association.

Mr. Alexander has extensive leadership experience as a vice chairman and regional managing partner at a "Big Four" accounting firm, financial acumen and risk management experience developed through his experience in public accounting. He has been designated by the Corporate Governance and Nominating Committee as a financial expert under SEC regulations.

Antonio Carrillo

Mr. Carrillo, age 50, has served as one of our directors since February 2015. Mr. Carrillo has served as Chief Executive Officer of Mexichem, S.A.B. from June 2012 to present. Previously, Mr. Carrillo served as Group President (and other executive positions) with Trinity Industries, Inc. from 1996 to May 2012. Mr. Carrillo has served on the board of Trinity Industries, Inc. since September 2014.

Mr. Carrillo has extensive leadership experience as a chief executive officer, group president and other executive level positions in public companies, financial acumen and risk management experience developed through his chief executive officer and other executive officer experience. He has been designated by the Corporate Governance and Nominating Committee as a financial expert under SEC regulations, and public company board experience.

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

Pamela H. Patsley

Ms. Patsley, age 59 has served as one of our directors since April 2008. Ms. Patsley has served as Executive Chairman of MoneyGram International from January 2009 to present and served as Chief Executive Officer from September 2009 to December 2015. Previously, Ms. Patsley served as Senior Executive Vice President of First Data Corporation from 2000 to 2007 and President of First Data International from 2002 to 2007. She retired from those positions in 2007. From 1991 to 2000, she served as President and Chief Executive Officer of Paymentech, Inc., prior to its acquisition by First Data. Ms. Patsley also previously served as Chief Financial Officer of First USA, Inc. Ms. Patsley served on the board of directors of Molson Coors Brewing Company from 1996 to 2009; Pegasus Solutions, Inc. from 2002 to 2006; and Paymentech, Inc. from 1995 to 1999. In addition to her Chairman's role at MoneyGram International, Ms. Patsley has served on the board of Texas Instruments Incorporated since 2004 to present, where she formerly served as chair of the Audit Committee.

Ms. Patsley has extensive leadership experience as a chairman and chief executive officer, chief financial officer and other executive level positions in public companies, financial acumen and risk management experience developed through her experience in public accounting and her chief executive officer and chief financial officer experience, and extensive public company board experience (including audit committee chairperson experience). She has been designated by the Corporate Governance and Nominating Committee as a financial expert under SEC regulations.

Joyce M. Roché

Ms. Roché, age 69, has served as one of our directors since February 2011. Ms. Roché served as President and Chief Executive Officer of Girls Inc., a national non-profit research, education and advocacy organization, from 2000 until her retirement in 2010. From 1998 to 2000,

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Ms. Roché was an independent marketing consultant. She served as President and Chief Operating Officer of Carson Products Company from 1996 to 1998 and also held senior marketing positions with Carson Products Company, Revlon, Inc. and Avon, Inc. Ms. Roché has served as a member of the boards of directors of AT&T, Inc. since 1998, where she serves as Chair of the Human Resources Committee and on the Nominating and Governance Committee; Macy's, Inc. since 2007, where she serves as chair of the Audit and Nominating and Governance Committees; and Tupperware Brands Corporation since 1998, where she serves as chair of the Compensation Committee. She served on the board of directors of Anheuser-Busch Companies, Inc. from 1998 to 2008. She also serves as a member of the Board of the Association of Governing Boards of Universities and Colleges and serves as chair of the Board of Trustees for Dillard University.

Ms. Roché has extensive leadership experience as a chief operating officer of a public company and the chief executive officer of a national nonprofit organization and considerable experience in the marketing and merchandising areas, consumer products company experience, financial acumen developed from her chief executive officer and executive officer experience, and significant public company board experience (including compensation, corporate governance, audit and public policy committee experience).

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

Ronald G. Rogers

Mr. Rogers, age 67, has served as one of our directors since May 2008. Mr. Rogers served in various positions with Bank of Montreal between 1972 and 2005. From 2002 until his retirement in 2005, he served as Deputy Chair, Enterprise Risk & Portfolio Management, BMO Financial Group, and from 1994 to 2002 he served as Vice Chairman, Personal & Commercial Client Group.

Mr. Rogers has extensive senior level executive leadership experience, substantial banking experience, financial acumen developed from his banking experience and experience in enterprise risk management.

Wayne R. Sanders

Mr. Sanders, age 68, has served as the Chairman of our Board and as chairman of the Corporate Governance and Nominating Committee since May 2008. Mr. Sanders served as the Chairman and the Chief Executive Officer of Kimberly-Clark Corporation from 1992 until his retirement in 2003. Mr. Sanders has served on the board of directors of Texas Instruments Incorporated since 1997, where he currently serves as Chairman of the Corporate Governance and Nominating Committee and previously served on the Audit Committee and Compensation Committee. He previously served on the board of Belo Corporation from 2003 to 2013 and as a director of Adolph Coors Company. Mr. Sanders is also a National Trustee and Governor of the Boys & Girls Clubs of America and was a member of the Marquette University Board of Trustees from 1992 to 2007, serving as Chairman from 2001 to 2003.

Mr. Sanders, the Chairman of the Board, has extensive leadership experience as a board chairman, chief executive officer and other executive level positions in a public company, financial acumen developed through his extensive executive experience, operational and marketing

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experience, consumer product company experience and significant public company board experience (including audit and compensation committee chairmanship experience).

Dunia A. Shive

Ms. Shive, age 55, has served as a director since November 18, 2014. Mrs. Shive has served as Senior Vice President of TEGNA INC., formerly Gannett Co., Inc. ("Gannett"), a broadcast and digital media company, since 2013. She previously served as President and Chief Executive Officer of Belo Corp. from 2008 to 2013, which was acquired by Gannett in 2013. She joined Belo Corp. in 1993 and served as Chief Financial Officer and various other leadership positions prior to her election as President and Chief Executive Officer. Ms. Shive has served as a director of Trinity Industries, Inc. since March 2014. She served on the Board of Directors of Belo Corp. from 2008 to 2013. She is also a trustee of Parks for Downtown Dallas Foundation (formerly the Belo Foundation) and a former member of the Associated Press board of directors, where she served as chair of the audit committee.

Ms. Shive has extensive leadership experience as president, chief executive officer and chief financial officer in public companies, financial acumen from her chief financial officer and public accounting experience and broad public company board experience.

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

M. Anne Szostak

Ms. Szostak, age 65, has served as one of our directors since May 2008. Ms. Szostak has served as chairperson of our Compensation Committee since March 2012. Since 2004, Ms. Szostak has operated a consulting firm under the name Szostak Partners that advises executive officers on strategic and human resource issues. From 1998 until her retirement in 2004, she served as Corporate Executive Vice President and Director Human Resources and Diversity of FleetBoston Financial Corporation (now Bank of America). She also served as Chairman and Chief Executive Officer of Fleet Bank Rhode Island from 2001 to 2003. Ms. Szostak has served as a director of Tupperware Brands Corporation since 2000, where she serves on the Audit Committee and previously served on the Compensation and Nominating and Governance committees, and IDEXX Laboratories since 2012, where she is chair of the Compensation Committee and serves on the Audit Committee. She previously served on the board of directors of ChoicePoint Corporation from 2005 to 2008; on the board of directors for Spherion Corporation from 2005 to 2011 and on the board of directors of Belo Corp. from 2004 to 2013. Ms. Szostak is currently a member of the Board of Trustees of Bryant University, Trustee Emerita of Colby College, Life Governor and Chairperson Emeritus of the Boys & Girls Clubs of America, and serves on various committees of Care New England and Women and Infants' Hospital of Rhode Island. She is the former Chairperson of the Board of Women and Infants' Hospital of Rhode Island.

Ms. Szostak has extensive senior level executive leadership experience with a Fortune 100 company, experience as a chief executive officer of two major bank subsidiaries of public companies, substantial banking experience, significant human resource experience, experience in risk management and significant experience on other public company boards (including compensation committee chairperson and audit and corporate governance and nominating committee experience).

Larry D. Young

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Mr. Young, age 61, has served as one of our directors since the Company's formation in October 2007. Mr. Young has served as our President and Chief Executive Officer (Mr. Young is also referred to in this Proxy Statement as our "CEO") since October 2007. From October 2007 to May 2008, Mr. Young also served as President and Chief Executive Officer of CSAB (as hereinafter defined). Mr. Young joined CSAB as President and Chief Operating Officer of the Bottling Group segment and Head of Supply Chain in 2006 after the acquisition of Dr Pepper/Seven Up Bottling Group, Inc. ("DPSUBG"). He had been President and Chief Executive Officer of DPSUBG since 2005. From 1997 to 2005, Mr. Young served as President and Chief Operating Officer of Pepsi-Cola General Bottlers, Inc. and Executive Vice President of Corporate Affairs at PepsiAmericas, Inc.

Mr. Young, our CEO, has extensive senior level executive experience as our CEO and chief operating officer, over 30 years of experience in the beverage industry and substantial sales and marketing experience.

THE BOARD RECOMMENDS A VOTE "FOR" EACH OF THE NOMINEES FOR DIRECTOR SET FORTH ABOVE.

Table of Contents

CORPORATE GOVERNANCE

Corporate Governance Guidelines

On May 16, 2012, the Board adopted revised Corporate Governance Guidelines. The Corporate Governance Guidelines include, among other things:

formation of an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee, each comprised solely of independent directors;

a requirement that the Board annually assess the performance of the Chief Executive Officer (references in this Proxy Statement to "the Chief Executive Officer" refer generically to the person holding that title and not to any specific individual);

Board stewardship of our Code of Conduct and Insider Trading Policy;

assessment of Board and director performance;

the power of the Board and each committee to retain outside advisors; and

our Categorical Standards of Director Independence.

Our Corporate Governance Guidelines are available on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Corporate Governance Guidelines captions.

Code of Conduct

We are dedicated to earning the trust of our clients and investors and our actions are guided by the principles of honesty, trustworthiness, integrity, dependability and respect. The Board has adopted a Code of Conduct that applies to all employees and directors. Our Code of Conduct

is posted on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Code of Conduct captions. We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K or applicable New York Stock Exchange ("NYSE") rules regarding an amendment to, or waiver from, a provision of the Code of Conduct for our senior financial officers, including the Chief Executive Officer, if any, either by posting such information on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance captions or by filing a Current Report on Form 8-K with the SEC.

Director Independence

In connection with the adoption of the Corporate Governance Guidelines, the Board adopted our Categorical Standards of Director Independence, which are attached as Annex A to our Corporate Governance Guidelines. The Categorical Standards of Director Independence are consistent with the independence standards set forth in Section 303A.02 of the NYSE listing standards. The Board made an affirmative determination in 2015 that each of Mr. Sanders, Mr. Alexander, Mr. Adams (until his retirement from the Board), Mr. Carrillo, Ms. Patsley, Ms. Roché, Mr. Rogers, Ms. Shive and Ms. Szostak is independent and has no material relationship with the Company. In February 2016 the Board considered the slate of nominees for director and determined that each of David E. Alexander, Antonio Carrillo, Pamela H. Patsley, Joyce M. Roché, Ronald G. Rogers, Wayne R. Sanders, Dunia A. Shive, and M. Anne Szostak is independent and has no material relationship with the Company.

Table of Contents

CORPORATE GOVERNANCE

Selection of Directors

Process

The Board is responsible for approving candidates for the Board. As discussed in the section "Board Committees and Meetings – Corporate Governance and Nominating Committee" beginning on page 23, the Corporate Governance and Nominating Committee is responsible for the identification of candidates for the Board and making director recommendations to the Board. The Corporate Governance and Nominating Committee will also consider nominations by a stockholder made pursuant to the procedures set forth in our By-Laws relating to stockholder nominations and as described under "Stockholder Proposals for 2016 Annual Meeting" on page 83.

Qualifications

The Corporate Governance and Nominating Committee seeks director candidates (including any candidate who may be recommended by a stockholder) who have certain personal and professional attributes including:

sound personal and professional integrity;

an inquiring and independent mind;

willingness to devote the required time to carrying out the duties and responsibilities of Board membership;

commitment to serve on the Board for several years to develop knowledge about the Company's businesses; and

willingness to represent the best interests of all stockholders and observe the fiduciary duties that a director owes to the stockholders.

In addition, a director candidate must have, when considered with the collective experience of other Board members, appropriate qualifications and skills that have been developed through extensive business experience, including the following:

practical wisdom and mature judgment;

leadership;

interpersonal skills;

financial acumen;

broad training and experience at the policy-making level in business, finance and accounting, government, education or technology;
and

expertise (including industry expertise) that is useful to the Company and complementary to the background and experience of other Board members, so that an optimal balance of Board members can be achieved and maintained.

Diversity

In accordance with our Corporate Governance Guidelines, diversity of viewpoints, as well as gender and ethnic diversity, are characteristics considered by the Corporate Governance and Nominating Committee in making recommendations for nominations. The Board has not adopted any policy on diversity with respect to our directors, but it seeks a balance of experience among the directors so that the Board as a whole has experience and training from different disciplines (including operations, accounting, finance, risk management, marketing and human resources) and different industries (including the beverage industry, consumer products and finance) which creates the balance sought.

Table of Contents

CORPORATE GOVERNANCE

Executive Sessions and Lead Independent Director

In compliance with the requirements of the NYSE, our Corporate Governance Guidelines require the non-employee directors to meet at least twice annually in regularly scheduled executive sessions. Mr. Sanders, as lead independent director, presides over non-employee director executive sessions. Five (5) executive sessions were held in 2015.

Attendance at Annual Meeting

It is our policy that all directors attend the annual meeting of stockholders. We anticipate that all members of the Board will be present at the Annual Meeting. Each director attended the annual meeting of stockholders held on May 21, 2015.

Board Leadership and Role in Risk Oversight

The Chairman of the Board and the Chief Executive Officer titles are held by different persons. Mr. Sanders, as the Chairman of the Board, is also the lead independent director. Mr. Young is our CEO.

In May 2008, the Company became a stand-alone company as the result of a spin-off by Cadbury, plc ("Cadbury"), which held the Cadbury Schweppes Americas Beverages business group of entities ("CSAB"). At that time, it was decided to separate the Chairman of the Board and the Chief Executive Officer positions. Most important among the considerations was that separation of the Chairman of the Board and the Chief Executive Officer positions allowed our CEO to direct his energy towards operational issues and the Chairman of the Board to focus on governance and other related issues of our new publicly-held company. At this time, the Company continues to believe that separating the Chairman of the Board and the Chief Executive Officer positions enhances the independence of the Board, provides independent business counsel for the Chief Executive Officer and facilitates discussion among Board members.

The Board has overall responsibility for oversight of risk and has delegated to the Audit Committee the responsibility for the risk oversight process and oversight of financial and compliance risks. The Company reports to the Audit Committee at each regularly scheduled meeting on risk management and the activities of the committee that oversees the Company's enterprise and risk management functions. The Audit Committee reports to the Board on its delegated responsibilities regarding risks. The Compensation Committee is responsible for the assessment of risk in the Company's compensation programs and reports to the Board on that assessment (see "Compensation Discussion and Analysis Compensation Risk Assessment" on page 59).

Communications with the Board

Any interested party may communicate with the Board, the Chairman of the Board (who is the lead independent director and presiding director of executive sessions) or the non-employee directors as a group on a Board-related issue by submitting an e-mail through the Company's website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Contact the Board captions or by sending a written communication to: Corporate Secretary, Dr Pepper Snapple Group, Inc., 5301 Legacy Drive, Plano, Texas 75024. Relevant communications will be distributed to the Board, or to any individual director or directors as appropriate, depending on the facts and circumstances outlined in the communication. Communications that are unrelated to the duties and responsibilities of the Board will not be forwarded, such as sponsorship requests, licensing requests, annual report requests, business solicitations, advertisements, new product suggestions, brand and product comments and job inquiries. Any communication that is screened as described above will be made available to any director upon his or her request.

Table of Contents

BOARD AND COMMITTEES AND MEETINGS

Audit Committee

Through February 28, 2015, the Audit Committee was comprised of Mr. Alexander (Chairman), Mr. Adams and Ms. Patsley. Commencing on March 1, 2015 the Audit Committee was comprised of Mr. Alexander (Chairman), Mr. Carrillo, and Ms. Patsley. Each of the directors who served as an Audit Committee member in 2015 is independent in accordance with applicable laws and regulations and as defined in the current NYSE listing standards. Upon consideration of the attributes of an audit committee financial expert as set forth in SEC regulations, the Board determined that Mr. Alexander, Mr. Carrillo and Ms. Patsley possess those attributes through their experience, and each was designated as an Audit Committee Financial Expert.

The Audit Committee is responsible for reviewing and approving an audit committee report included as part of the Proxy Statement and assisting the Board's oversight of:

the quality and integrity of the Company's financial statements and related disclosure (including the quality, adequacy and effectiveness of our internal controls);

the Company's compliance with all legal and regulatory requirements;

the independent registered public accountant's performance, qualifications and independence; and

the performance of the Company's internal audit function.

The Audit Committee has selected Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016. On May 20, 2015, the Board approved the restated Audit Committee Charter, a copy of which is available on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Committee Charters Audit Committee Charter captions. The Report of the Audit Committee for fiscal year 2015 is included in this Proxy Statement on page 32.

Compensation Committee

Through February 28, 2015 Ms. Szostak (Chairperson), Ms. Roché and Mr. Rogers served on the Compensation Committee. Commencing on March 1, 2015 Ms. Szostak (Chairperson), Ms. Shive, and Ms. Roché served on the Compensation Committee. Each of the directors who served

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as a member of the Compensation Committee in 2015 is independent as defined in the current NYSE listing standards.

The Compensation Committee is responsible for:

setting the compensation of the Chief Executive Officer, after consideration of the Board's evaluation of the performance of the Chief Executive Officer;

determining the compensation levels of our other executive officers, after consultation with the Chief Executive Officer;

approving and administering our executive compensation program (including overseeing regulatory compliance with Section 162(m) of the United States Internal Revenue Code of 1984, as amended (the "Code"), to optimize deductibility of compensation paid);

administering our employee benefit plans, including our equity-based and incentive compensation plans;

Table of Contents

BOARD AND COMMITTEES AND MEETINGS

reviewing and discussing with management our Compensation Discussion and Analysis for inclusion in our proxy statement or annual report, in accordance with applicable regulations; and

the appointment, compensation and oversight of work performed by outside advisors to the Compensation Committee.

Information regarding the processes and procedures followed by the Compensation Committee in considering and determining executive compensation is provided under the heading "Compensation Discussion and Analysis."

On May 20, 2015, the Board approved the restated Compensation Committee Charter, a copy of which is available on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Committee Charters Compensation Committee Charter captions. The Report of the Compensation Committee on Executive Compensation for fiscal year 2015 is included in this Proxy Statement on page 60.

The Compensation Committee has the authority to retain compensation consultants and other outside advisors to assist in the evaluation of executive officer compensation. The Compensation Committee annually evaluates the performance of its executive compensation consultant and based on that evaluation has retained Mercer HR Services LLC ("Mercer"), a wholly-owned subsidiary of Marsh & McLennan Companies, Inc. ("MMC"), to assist the Compensation Committee with its responsibilities related to the Company's 2015 executive officer and board of director compensation programs. For more information on the Compensation Committee's relationship with Mercer, see "Compensation Discussion and Analysis Role of Compensation Consultant" on page 57. Mercer's fees for executive compensation consulting to the Compensation Committee in fiscal year 2015 were approximately \$273,000.

During 2015, the Compensation Committee requested that Mercer:

conduct an analysis of compensation for our executive officers, including the Chief Executive Officer, and assess how target compensation aligned with our philosophy and objectives; develop recommendations for the Compensation Committee on the size and structure of long-term incentive awards for the Chief Executive Officer and our executive officers;

provide perspectives on the composition of our peer group for 2015-2016;

assist the Compensation Committee in the review of incentive plan design, and severance programs;

perform a review of the Company's compensation programs and related governance provisions and practices to determine if disclosures were required under Item 402 of SEC Regulation S-K see "Compensation Discussion and Analysis Compensation Risk Assessment" on page 59;

evaluate alignment of executive compensation with our absolute performance and performance in relation to our peer group;

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assess the Board's compensation;

provide the Compensation Committee ongoing advice and counsel on market compensation trends, legislative and regulatory updates and their impact on our executive compensation programs;

provide responses to the six factors (the "Regulatory Evaluation") set forth in the rules promulgated by the SEC and in the NYSE listing standards to enable the Committee to assess Mercer's independence and objectivity; and

review the Compensation Discussion and Analysis section of our proxy statement.

During 2015, the Company retained MMC or its affiliates to provide services which were unrelated to executive compensation services. The aggregate fees paid for these other services (principally broker fees) were approximately \$447,000, which amount was less than .004% of the total consolidated revenues of MMC in 2015. Management decided to retain Mercer to provide these services. The Compensation Committee is aware that the

Table of Contents

BOARD AND COMMITTEES AND MEETINGS

Company in the ordinary course of business uses MMC affiliates for insurance and other related services, but it does not specifically approve those services.

Certain policies and procedures are in place to assure the independence of Mercer and its consultant, including:

 Mercer's consultant assigned to the Company receives no incentive or other compensation based on the fees charged to the Company for other services provided by Mercer or any of its affiliates;

 Mercer's Global Business Standards, which were established to prevent actual or perceived conflicts of interest and preserve the integrity of its advice, and address how Mercer manages the executive consulting relationship, ensures the quality of executive consulting services, and structures its business to manage actual or perceived conflicts of interest;

 Mercer's consultant assigned to the Company (i) has no personal or business relationship with any member of the Compensation Committee, other than to provide executive consulting services, (ii) owns no shares of Company stock, nor do any of his immediate family members own Company stock, and (iii) has no business or personal relationships with any executive officer of the Company other than to provide executive consulting services;

 none of our executive officers have indicated they have any business or personal relationship with Mercer or the Mercer consultant assigned to the Company;

 the Compensation Committee has the sole authority to retain and terminate the executive compensation consultant;

 the Mercer consultant assigned to the Company has direct access to the Compensation Committee without management involvement;

 the Compensation Committee evaluates the quality and objectivity of the services provided by the consultant each year and determines whether to continue to retain the consultant; and

 the protocols for the engagement (described below) limit how the consultant may interact with management.

While it is necessary for the Mercer consultant to interact with management to gather information, the Compensation Committee has adopted protocols governing if and when the consultant's advice and recommendations can be shared with management. These protocols are included in the consultant's engagement letter. This approach protects the Compensation Committee's ability to receive objective advice from the consultant so that the Compensation Committee may make independent decisions about executive pay by the Company.

Based on the analysis by Mercer of its independence under the Regulatory Evaluation, the Compensation Committee's review of Mercer's analysis and the policies and procedures set forth above, the Compensation Committee is confident that the advice it receives from the executive compensation consultant is objective and not influenced by Mercer's or its affiliates' relationships with the Company.

Corporate Governance and Nominating Committee

Through February 28, 2015, Mr. Sanders (Chairman), and Ms. Shive served on the Corporate Governance and Nominating Committee. Commencing on March 1, 2015, the Corporate Governance and Nominating Committee was comprised of Mr. Sanders (Chairman) and Mr. Rogers. Each of the directors who served as a member of the Corporate Governance and Nominating Committee in 2015 is independent as defined in the current NYSE listing standards. Mr. Sanders has served as the Chairman of the Corporate Governance and Nominating Committee since its formation. The Corporate Governance and Nominating Committee is responsible for:

administering the director selection process and the board committee assignments;

leading the development of the Company's corporate governance and developing corporate governance guidelines;

reviewing issues related to the relationship between the Company and its stockholders;

Table of Contents

BOARD AND COMMITTEES AND MEETINGS

establishing and revising the Company's Code of Conduct;

reviewing and overseeing the process regarding succession planning of the Company's Chief Executive Officer and senior management; and

monitoring the Company's legislative priorities, political action committee, political activities, corporate sustainability efforts and relevant public policy issues.

On May 20, 2015, the Board approved the amended and restated Corporate Governance and Nominating Committee Charter, a copy of which is available on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Committee Charters Corporate Governance and Nominating Committee Charter captions.

In February 2016, the Corporate Governance and Nominating Committee considered our current directors and other candidates to fill the slate of nominees for election to the Board. Based on an evaluation of the background, skills and areas of expertise represented by the various candidates against the qualifications for directors as set forth in our Corporate Governance Guidelines and as discussed in the section "Corporate Governance Selection of Directors" on page 19, the Corporate Governance and Nominating Committee determined that each of David E. Alexander, Antonio Carrillo, Pamela H. Patsley, Joyce M. Roché, Ronald G. Rogers, Wayne R. Sanders, Dunia A. Shive, M. Anne Szostak and Larry D. Young possess the appropriate skill level, expertise and qualifications and recommended that such individuals be re-elected to the Board as directors.

Special Award Committee

On February 10, 2009, the Board formed a Special Award Committee, with the Chief Executive Officer named as the sole member so long as the Chief Executive Officer is a member of the Board. The Special Award Committee has the authority to make equity awards to employees (other than our executive officers) under our Omnibus Stock Incentive Plan of 2009 in accordance with limitations as may, from time to time, be established by the Compensation Committee. The Compensation Committee has set forth the following limitations for the Special Award Committee: (i) awards may be made to employees, other than our executive officers, (ii) awards may be made to new hires, for retention purposes, in connection with promotions or employee relationship issues, or in the discretion of the Special Award Committee for exceptional performance, (iii) awards are limited to an aggregate of \$2 million each calendar year, (iv) awards shall not exceed \$200,000 to any one individual and (v) awards must be granted at the closing market price on the effective date of the award. The Special Award Committee reports to the Compensation Committee at each regularly scheduled meeting on the awards it has made under this limited authority since its last report. For a description of the equity award procedures that apply to the Special Award Committee, see "Compensation Discussion and Analysis Compensation Governance Policies and Provisions Equity Award Procedures" on page 58.

Capital Transaction Committee

On November 20, 2009, the Board formed a Capital Transaction Committee, consisting of the Chairman of the Board and the Chief Executive Officer, so long as the Chief Executive Officer is a member of the Board. The Board granted general authority to the Capital Transaction Committee to approve note issuances, commercial paper transactions and interest rate swaps, excluding any transaction which includes the issuance of the Company's common stock or preferred stock or a feature to convert debt to common stock or preferred stock, provided that (i) the aggregate amount of such transactions does not exceed \$750 million initial aggregate principal or notional amount in any calendar year and (ii) our debt to Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") ratio immediately prior to a contemplated

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transaction is at or below 2.25x and the consummation of such transaction will not result in our adjusted debt to EBITDA ratio exceeding 2.25x. From time to time, the Board has granted additional authority to the Capital Transaction Committee to approve certain transactions. The Capital Transaction Committee reports to the Board on the transactions it approves under the authority granted by the Board.

Table of Contents

BOARD AND COMMITTEES AND MEETINGS

2015 Meetings

During 2015, there were six (6) meetings of the Board. During 2015, there were nine (9) meetings held by the Audit Committee, along with four (4) executive sessions of the Audit Committee to meet with our independent registered public accounting firm, our chief financial officer, our senior vice president-controller, the vice president of corporate audit and our general counsel (in one executive session); five (5) meetings were held by the Compensation Committee, along with four (4) executive sessions of the Compensation Committee; four (4) meetings held by the Corporate Governance and Nominating Committee and four (4) executive sessions of the Corporate Governance and Nominating Committee; eight (8) meetings were held by the Special Award Committee; and one (1) meeting was held by the Capital Transaction Committee. Each incumbent director attended at least 75% of the meetings of the Board and the Board committees of which each was a member during his or her respective tenures. Any action taken by the Board or any committee by unanimous written consent ("Consent") is counted as a meeting. In 2015, the Board and Audit Committee each acted once by Consent and all meetings of the Capital Transaction Committee and Special Award Committee were by Consent.

Table of Contents

DIRECTOR COMPENSATION

Non-employee directors receive compensation from us for their services on the Board and its committees. Mr. Young, our only executive director, does not receive compensation for his services as a director. In fiscal year 2015, we compensated our non-employee directors as follows: an annual cash retainer of \$100,000 and an annual equity award of RSUs with a value of \$130,000. In addition, the Chairman of the Board, the chairperson of the Audit Committee and the chairperson of the Compensation Committee received an annual equity award of RSUs with a value of \$100,000, \$30,000 and \$25,000, respectively. All of the RSUs vest three years from the date of grant.

Director compensation paid in fiscal year 2015 was as follows:

Director Compensation in Fiscal Year 2015

NAME	FEES EARNED OR PAID IN CASH (\$) ⁽¹⁾	STOCK AWARDS (\$) ⁽²⁾⁽³⁾	OPTION AWARDS (\$)	NON-EQUITY INCENTIVE COMPENSATION (\$)	CHANGE IN PENSION VALUE AND NON-EQUITY NONQUALIFIED DEFERRED EARNINGS	ALL OTHER COMPENSATION (\$)	TOTAL (\$)
					COMPENSATION (\$)		
Wayne R. Sanders	100,000	230,000				1,275 ⁽⁶⁾	331,275
David E. Alexander	100,000	160,000					260,000
M. Anne Szostak	100,000	155,000					255,000
Antonio Carrillo	100,000	130,000					230,000
Pamela H. Patsley	100,000	130,000					230,000
Joyce M. Roché ⁽⁴⁾	100,000	130,000					230,000
Ronald G. Rogers	100,000	130,000					230,000

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Dunia A. Shive	100,000	130,000		230,000
John L. Adams ⁽⁵⁾	50,000		9,489	59,489

(1)

The amounts reported in the Fees Earned or Paid in Cash column reflect fees earned in 2015.

(2)

The amounts reported in the Stock Awards column reflect the grant date fair value associated with each respective director's RSUs granted under the Omnibus Stock Incentive Plan of 2009. Even though the RSUs may be forfeited, the amounts reported do not reflect this contingency.

Table of Contents

DIRECTOR COMPENSATION

(3)

The following table shows the aggregate number of outstanding RSUs for each non-employee director as of December 31, 2015. All of these awards vest three years from their respective grant dates.

<i>NAME</i>	<i>RSUs^(a)</i>
Wayne R. Sanders	12,898
David E. Alexander	8,836
M. Anne Szostak	8,544
Antonio Carrilo	1,679
Pamela H. Patsley	7,093
Joyce M. Roché	7,093
Ronald G. Rogers	7,093
Dunia A. Shive	2,115

(a)

The amounts reported in the RSUs column also include dividend equivalent units earned under the Omnibus Stock Incentive Plan of 2009.

(4)

Ms. Roché elected to defer 25% of her cash compensation under the Non-Employee Director Deferral Plan ("Deferral Plan"), pursuant to which directors may defer cash compensation, which is issued in Company stock upon distribution from the Deferral Plan.

(5)

Mr. Adams retired from the Board after the Annual Meeting in 2015 in accordance with the retirement policy under the Corporate Governance Guidelines. The amount reported in the All Other Compensation column for Mr. Adams represents prorata cash value of the equity award that would have awarded to Mr. Adams had he remained a director. This payment was made to Mr. Adams upon his retirement from the Board in accordance with Board policy.

(6)

The amount reported in the All Other Compensation column represents the personal use of the corporate aircraft by Mr. Sanders. For SEC purposes, the cost of personal use of a corporate aircraft is calculated based on the aggregate incremental cost to us. We calculated the aggregate incremental cost using estimated variable costs of operating the aircraft. Fixed costs which do not change based on usage, such as pilot salaries, depreciation of aircraft and cost of maintenance, are excluded.

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Based on a study performed by Mercer, the total non-employee director compensation in 2015 approximates our compensation peer group median.

The Board believes that the directors should have a meaningful ownership interest in the Company. Effective November 1, 2015, or, if a director is elected after November 1, 2010, within five years after the date of such election, the Stock Ownership Guidelines require non-executive directors to own shares of the Company's common stock having a value equal to a minimum of four times their respective annual cash retainer. Though not yet required, all of the directors (other than Ms. Shive who joined the Board in November 2014 and Mr. Carrillo who joined the Board in February 2015) met these guidelines as of December 31, 2015.

Table of Contents

**BUSINESS EXPERIENCE OF
EXECUTIVE OFFICERS**

Other than Mr. Young, who is a director and whose business experience is summarized under "Proposal 1 Election of Directors Director Nominees" beginning on page 14, the following is a summary of the business experience of our executive officers *{ages are as of the date of the Annual Meeting}*:

James L. Baldwin, Executive Vice President, General Counsel, age 55, has served as our Executive Vice President, General Counsel and Secretary since the Company's spin-off in May 2008. From July 2003 to May 2008, he served as Executive Vice President and General Counsel of CSAB. From June 2002 to July 2003, he served as Senior Vice President and General Counsel of Dr Pepper/Seven Up, Inc., from August 1998 to June 2002 as General Counsel of Mott's LLP and from March 1997 to August 1998 as Vice President and Assistant General Counsel of Dr Pepper/Seven Up, Inc.

Rodger L. Collins, President, Packaged Beverages, age 58, has served as our President, Packaged Beverages since February 2009. Prior to that, Mr. Collins served in various executive capacities with us and CSAB, including President of Bottling Group Sales and Finished Goods Sales (September 2008 February 2009); President of Sales for the Bottling Group (October 2007 September 2008); Midwest Division President for the Bottling Group (January 2005 October 2007); and Regional Vice President (October 2001 December 2004).

Martin M. Ellen, Executive Vice President, Chief Financial Officer, age 62, joined the Company in April 2010 as our Executive Vice President, Finance and transitioned into the role of Executive Vice President, Chief Financial Officer in May 2010. Prior to joining the Company, Mr. Ellen served as Senior Vice President Finance and Chief Financial Officer at Snap-on Incorporated since 2002, where he had responsibility for all of the financial operations at this global, publicly-traded company.

Philip L. Hancock, Executive Vice President, Human Resources, age 47, has served as our Executive Vice President, Human Resources since February 2013. From March 2012 to February 2013, Mr. Hancock served as Senior Vice President, Human Resources, from February 2010 to March 2012 as Senior Vice President, Procurement, from January 2008 to February 2010 as Senior Vice President, Regional Manufacturing and from January 2007 to January 2008 as Vice President of Manufacturing Development. Prior to joining the Company in January 2007, Mr. Hancock was a Senior Associate at McKinsey & Company for approximately two years and served as an officer in the United States Army for approximately 11 years.

Derry L. Hobson, Executive Vice President, Supply Chain, age 65, has served as our Executive Vice President of Supply Chain since the Company's spin-off in May 2008. From October 2007 to May 2008 Mr. Hobson also served as the Executive Vice President of Supply Chain of CSAB. Mr. Hobson joined CSAB as Senior Vice President of Manufacturing in 2006 through the acquisition of DPSUBG, where he had been Executive Vice President since 1999.

James J. Johnston, Jr., President, Beverage Concentrates and Latin America Beverages, age 59, has served as our President, Beverage Concentrates and Latin America Beverages since September 2009. Prior to that, Mr. Johnston served in various executive capacities

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with us and CSAB, including President, Beverage Concentrates (November 2008 – September 2009); President of Concentrate Sales (September 2008 – November 2008); President of Finished Goods and Concentrate Sales (October 2007 – September 2008); Executive Vice President of Sales (January 2005 – October 2007); Executive Vice President of Strategy (December 2003 – January 2005); and Senior Vice President of Licensing (October 1997 – December 2003).

Table of Contents

BUSINESS EXPERIENCE OF EXECUTIVE OFFICERS

David J. Thomas, Ph.D., Executive Vice President, Research & Development, age 54, has served as our Executive Vice President, Research and Development since December 2010. From the Company's spin-off in May 2008 until December 2010, Dr. Thomas served as our Senior Vice President, Research & Development. From November 2006 to May 2008, Dr. Thomas served as the Senior Vice President, Research & Development for CSAB. Dr. Thomas served as Vice President Global Product Development for Gerber Products from July 2005 until October 2006. Dr. Thomas holds a Ph.D. Degree in Food Science, with an emphasis in Flavor Biochemistry, from the University of Wisconsin-Madison.

James R. Trebilcock, Executive Vice President, Marketing, age 58, has served as our Chief Commercial Officer since January 2016. From September 2008 to January 2016 he served as our Executive Vice President, Marketing. From the Company's spin-off in May 2008 to September 2008, Mr. Trebilcock served as our Senior Vice President Marketing. From February 2003 to May 2008, Mr. Trebilcock served as the Senior Vice President Consumer Marketing of CSAB. Mr. Trebilcock held various positions in CSAB and its predecessor businesses since July 1987.

Table of Contents

PROPOSAL 2 RATIFY THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2016

Deloitte & Touche LLP has been selected by the Audit Committee as our independent registered public accounting firm for fiscal year 2016, subject to ratification by our stockholders. Deloitte & Touche LLP has served as our independent registered public accounting firm since 2008. A representative of Deloitte & Touche LLP is expected to be present at the Annual Meeting. That representative will have an opportunity to make a statement, if desired, and will be available to respond to appropriate questions.

We are asking our stockholders to ratify the appointment of Deloitte & Touche LLP as our registered independent public accounting firm as a matter of good corporate governance even though ratification is not required by our By-Laws, other governing documents or otherwise. If our stockholders fail to ratify the appointment, the Audit Committee will reconsider whether or not to retain Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2016. Even if the appointment is ratified, the Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during fiscal year 2016 if it is determined that such a change would be in the best interests of the Company and its stockholders.

THE BOARD RECOMMENDS A VOTE "FOR" THE RATIFICATION OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2016.

Table of ContentsINDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM'S FEES

Fees for professional services provided by our independent registered public accounting firm in each of the last two fiscal years, in each of the following categories, were as follows:

(in 000's)

	2015	2014
Audit Fees ⁽¹⁾	\$ 3,260	\$ 3,232
Audit-Related Fees		
Tax Fees		
All Other Fees		
Total Fees	\$ 3,260	\$ 3,232

(1)

These amounts represent fees of Deloitte & Touche LLP for the audit of our annual consolidated financial statements, the review of financial statements included in our quarterly Form 10-Q reports, the audit of internal control over financial reporting, and the services that an independent auditor would customarily provide in connection with statutory requirements, regulatory filings, and similar engagements for the fiscal year, such as comfort letters, consents and assistance with review of documents filed with the SEC. Audit Fees also include advice about accounting matters that arose in connection with or as a result of the audit or the review of periodic consolidated financial statements and statutory audits that non-U.S. jurisdictions require. For purposes of this schedule fees billed from non-US jurisdictions in the currency of such jurisdiction have been converted to US \$ as of the date of the approval of such fees.

The Audit Committee has approved all of our independent registered public accounting firm's audit engagements for fiscal year 2015. All audit and non-audit services provided to us by our independent registered public accounting firm are required to be pre-approved by the Audit Committee in accordance with the policies and procedures set forth in the current Audit Committee Charter available on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Committee Charters Audit Committee captions.

Table of Contents

REPORT OF THE AUDIT
COMMITTEE

Through February 28, 2015, the Audit Committee was comprised of Mr. Alexander (Chairman), Mr. Adams and Ms. Patsley. Commencing on March 1, 2015 the Audit Committee was comprised of Mr. Alexander (Chairman), Mr. Carrillo, and Ms. Patsley. All of such Audit Committee members are independent as defined in the current NYSE listing standards and the applicable rules of the Exchange Act. Each of Mr. Alexander, Mr. Carrillo and Ms. Patsley meet the definition of "audit committee financial expert" as defined in SEC Regulation S-K.

The Audit Committee charter, as revised and approved by the Board on May 20, 2015, sets forth the duties and responsibilities of the Audit Committee. The Audit Committee is primarily responsible for the oversight of the quality and integrity of the Company's financial statements and related disclosures (including the quality, adequacy and effectiveness of our internal controls), the Company's compliance with all legal and regulatory requirements, and the independent registered public accountant's performance, qualifications and independence.

Management has primary responsibility for the preparation of the financial statements, completeness and accuracy of financial reporting and the overall system of internal control over financial reporting. The Audit Committee has reviewed and discussed the Company's financial statements with management and management's evaluation and assessment of the effectiveness of internal control over financial reporting.

Deloitte & Touche LLP ("Deloitte"), our independent registered public accounting firm for fiscal year 2015, is responsible for planning and conducting the audit of the financial statements and expressing an opinion on the fairness of the financial statements and their conformity with generally accepted accounting principles ("GAAP") and for auditing of the Company's internal control over financial reporting and expressing an opinion on its effectiveness.

The Audit Committee has reviewed and discussed with Deloitte, with and without management present, the financial statement audit, its evaluation of effectiveness of internal controls over financial reporting and the overall quality of financial reporting and disclosure. Deloitte has delivered to the Audit Committee (i) the written disclosures and the letter required by the Public Company Accounting Oversight Board ("PCAOB"), including AS No. 16 and (ii) the communication required by PCAOB Ethics and Independence Rule 3526, *Communications with Audit Committees Concerning Independence* and informed the Audit Committee that, with respect to the Company, it is independent under the SEC rules and the independence requirements of the PCAOB. The Audit Committee has discussed with Deloitte the written disclosures and the letter regarding their independence.

Based on the Audit Committee's review and discussions referred to above, the Audit Committee recommended to the Board that the audited financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

**Submitted by the
Audit Committee of the Board:**

David E. Alexander (Chairman)
Antonio Carrillo

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Pamela H. Patsley

THE ABOVE REPORT OF THE AUDIT COMMITTEE WILL NOT BE DEEMED TO BE SOLICITING MATERIAL OR TO BE FILED WITH OR INCORPORATED BY REFERENCE INTO ANY FILING BY US UNDER THE SECURITIES ACT OF 1933 OR THE EXCHANGE ACT, EXCEPT TO THE EXTENT THAT WE SPECIFICALLY INCORPORATE SUCH REPORT BY REFERENCE.

Table of Contents

PROPOSAL 3 APPROVE AN ADVISORY RESOLUTION REGARDING THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

In accordance with rules adopted by the SEC, we provide stockholders with the opportunity to cast an advisory (non-binding) vote on compensation programs for our Named Executive Officers. We currently plan to hold an annual advisory vote on executive compensation. Our overall executive compensation policies and procedures are described in the "Compensation Discussion and Analysis" section beginning on page 35 and the tabular disclosures regarding compensation of our Named Executive Officers (together with the accompanying narrative disclosure) set forth in the "Historical Executive Compensation Information" section beginning on page 61. Our compensation policies and procedures are centered on a pay-for-performance culture and are strongly aligned with the long-term interests of our stockholders, as described in the "Compensation Discussion and Analysis" section. The Compensation Committee, which is comprised entirely of independent directors, in consultation with Mercer, a leading human resources consulting firm, oversees our executive compensation program and monitors our policies to ensure that such policies continue to emphasize programs that reward executives for results that are consistent with stockholder interests.

Our overall executive compensation program is designed to be competitive with our peers in the beverage and consumer packaged goods industry. The following are the basis for our program design:

Significant majority of compensation is at-risk, in the form of an annual incentive (MIP) and long-term incentive grants of PSUs, RSUs and options;

Annual and long-term incentive metrics map directly to our approach for generating stockholder value;

Incentive plan structure supports the strategy of seeking profitable growth, prudent capital management and returning cash to stockholders;

Compensation mix favors LTI relative to peer norms;

Equity awards are used to align the interests of management and stockholders over the long term;

Stockholder alignment is further enhanced through our stock ownership guidelines; and

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Incentive plans use a balanced mix of metrics to capture the totality of corporate performance and prevent unbalanced incentives due to too few metrics.

To accomplish our compensation objectives, our executive officers' total direct compensation in 2015 was comprised of a mix of the following components:

Base salary;

MIP awards (our annual cash incentive program); and

Long-term incentive awards, consisting of:

stock options;

RSUs; and

PSUs.

Table of Contents

PROPOSAL 3 APPROVE AN ADVISORY RESOLUTION REGARDING THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

Key Compensation Policies

The Board and the Compensation Committee have adopted various policies and programs with respect to compensation matters as follows:

Equity Award Procedures (see "Compensation Discussion and Analysis Compensation Governance Policies and Provisions Equity Award Procedures" on page 58);

Stock Ownership Guidelines (see "Compensation Discussion and Analysis Compensation Governance Policies and Provisions Executive Stock Ownership Guidelines" on page 58);

Insider Trading Policy (see "Compensation Discussion and Analysis Compensation Governance Policies and Provisions Insider Trading Policy" on page 58); and

Clawback Policy (see "Compensation Discussion and Analysis Compensation Governance Policies and Provisions Clawback Policy" on page 59).

Prior year's Say-on-Pay Vote

The annual Say-on-Pay vote at the annual meeting of stockholders that occurred on May 21, 2015 passed with approximately 95% of the votes cast (i.e., votes cast "for" or "against") in favor of the resolution. The Compensation Committee considers this to be a strong indicator of support for current program design and the changes implemented for 2015. The changes listed below were implemented based on stockholder feedback solicited in response to the prior year's vote:

Weighting of PSUs in the LTI program increased by 10% to 50% of the total; and RSUs were reduced by 10% to 30% of the total;

A relative TSR (rTSR) modifier metric was added to the existing PSU program;

The Company will not provide gross-ups to future executives beyond the current six participants; and

CEO stock ownership guideline was increased to six times salary.

Actions like those described above evidence our philosophy of aligning executive compensation with Company performance and increasing long-term stockholder value. We will continue to design and implement our executive compensation programs and policies in line with this philosophy to promote superior performance results and generate greater value for our stockholders.

Resolution

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For the reasons discussed above, the Board recommends that stockholders vote in favor of the following resolution:

"RESOLVED, that the compensation paid to the Company's Named Executive Officers with respect to 2015, as disclosed pursuant to the compensation disclosure rules and regulations of the SEC, including the Compensation Discussion and Analysis, compensation tables and the narrative discussion, is hereby APPROVED."

Because your vote on this proposal is advisory, it will not be binding on the Board. However, the Compensation Committee and the Board will consider the outcome of the vote when making future compensation decisions.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE EXECUTIVE COMPENSATION DISCLOSED IN THIS PROXY STATEMENT.

Table of Contents

COMPENSATION
DISCUSSION AND
ANALYSIS

EXECUTIVE SUMMARY

Program Design

Our executive pay programs are competitive with our peers in the beverage and consumer packaged goods industry. Program design supports our strategy, attracts and retains talent, ensures pay-for-performance alignment and incorporates best practices when appropriate.

Key Compensation Design Features

ü

Significant majority of compensation is at-risk, in the form of MIP and LTI grants of PSUs, RSUs and options

ü

Annual and long-term incentive metrics map directly to our approach for generating stockholder value

ü

Total compensation opportunity is positioned competitively

ü

Incentive plan structure supports the strategy of seeking profitable growth, prudent capital management and returning cash to stockholders

ü

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Compensation mix favors long-term incentives relative to peer group

ü

Equity awards are used to align the interests of management and stockholders over the long term

ü

Stockholder alignment is further enhanced through our stock ownership guidelines

ü

Incentive plans use a balanced mix of metrics to capture the totality of corporate performance and prevent unbalanced incentives due to too few metrics

For incentive compensation purposes we measure ourselves on the following core drivers of our business, which are directly impacted by our executives.

Metrics

Incentive Plan

Net Sales and Income from Operations (Core Earnings) à

Annual Incentive Plan (MIP)

Net Income (Core Earnings) and Free Cash Flow à

Performance Share Units (PSUs)

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Our historical performance relative to these metrics is presented below (\$ millions):

Key MIP Metric Components

Key PSU Metric Components

Figures presented above are as reported in the Company's Form 10-K for the applicable fiscal year. These metrics as used in our MIP and PSU plans are subject to various adjustments in order to more accurately measure and reward the Company's core performance. Discussions of MIP and PSU performance and payouts on pages 47 and 53, respectively, are based on non-GAAP measures. Reconciliation of GAAP to non-GAAP is presented in Annex I to this proxy statement.

Funds Returned to Stockholders
(\$ Millions)



Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

DPS Total Stockholder Return (TSR)

In addition to the performance results already noted, we're pleased to report the following improvements:

Earnings Per Share (EPS), on a Fully Diluted Basis

Dividends Declared

*

As defined on page 44.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Key Compensation Policies

The Board and the Compensation Committee have adopted various policies and programs that enhance compensation governance and strengthen stockholder alignment:

INCENTIVE PLAN DESIGN

What We Do

What We Don't Do

Balanced mix of performance metrics resulting in a holistic view of company performance

No uncapped incentive plans

Challenging MIP performance goals

No purely formulaic bonus plans Compensation Committee is able to exercise negative discretion with respect to payouts

MIP and PSU programs are designed with the intent to qualify for a 162(m) deduction as performance-based compensation

No guaranteed bonuses or discretionary awards made outside of structured incentive plan framework

EQUITY AWARD RELATED PRACTICES

What We Do

What We Don't Do

Multi-year vesting of equity awards

No option grants below fair market value

Challenging PSU performance goals

No under-water option repricing or exchange permitted without stockholder approval

rTSR modifier used to prevent significant disconnects between
rTSR and PSU payouts

No dividend equivalents on unearned PSUs

COMPENSATION GOVERNANCE, RISK MITIGATION, AND SEVERANCE

What We Do

Stringent insider trading policies, which include anti-hedging provisions

Robust stock ownership guidelines

Incentive compensation clawback policy

Tally sheets reviewed as part of the compensation setting process

Majority of compensation is at-risk and is long-term in nature

Annual corporate and individual performance assessments for all members of the Executive Leadership Team (ELT)

Independent Board Chairman and Compensation Committee composed entirely of outside, independent directors

Compensation Committee uses an independent compensation consultant

What We Don't Do

No active Supplemental Executive Retirement Plans (SERPs)

No benchmarking of executive pay to a peer group of mostly larger companies

No excessive perquisites

No change-in-control (CIC) severance in excess of 3X base and bonus

No future excise tax gross-ups beyond the current participants in the CIC severance plan

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Say-on-Pay Vote and 2015 Program Changes

The annual Say-on-Pay vote in the Annual Meeting occurring May 2015 passed with approximately 95% of the votes cast (i.e., votes cast "for" or "against") in favor of the resolution. The Compensation Committee considers this to be a strong indicator of support for current program design and the changes implemented for 2015. The changes listed below were implemented based on stockholder feedback solicited in response to the prior year vote:

Weighting of PSUs in the LTI program increased by 10% to 50% of total. RSUs were reduced by 10% to 30% of total;

A relative TSR (rTSR) modifier metric was added to the existing PSU program;

The Company committed to not providing 280G excise tax gross-ups on change-in-control benefits to future executives beyond the current six participants; and

CEO stock ownership guideline was increased to six times salary.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

2015 INCENTIVE PAYOUTS REFLECT STRONG RESULTS

Incentive payouts reflect the Company's strong performance, with the MIP paying out at 136% to 162% of target, and PSUs at 200% of target.

Performance Focus of Compensation Programs

The majority of target total compensation in 2015 was at-risk in the form of MIP and long-term incentives (PSUs, RSUs and options). Participants' payouts vary based on MIP and PSU performance relative to goals, as well as our stock price and dividend growth.

Target Compensation Mix and Purpose of Each Element⁽¹⁾

The table below provides details on 2015 target compensation for our NEOs.

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NAME	TITLE	SALARY	MIP TARGET (%)	TARGET CASH⁽²⁾	PSUs⁽³⁾	RSUs	OPTIONS	TARGET TOTAL
Larry D. Young	Pres. and CEO	\$1,075	150%	\$2,688	\$3,000	\$1,800	\$1,200	\$8,688
Martin M. Ellen	CFO	583	90%	1,107	728	437	291	2,563

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Rodger L. Collins	Pres., Packaged Beverages	591	85%	1,093	675	405	270	2,443
James J. Johnston	Pres., Concentrate Sales	591	85%	1,093	675	405	270	2,443
Derry L. Hobson	EVP, Supply Chain	502	75%	878	450	270	180	1,778

(1)

Percentages don't sum to 100% due to rounding.

(2)

Target cash is the sum of salary and MIP target.

(3)

PSU values shown are based on the closing stock price of \$79.20 on March 2, 2015, the date of grant. Consistent with past practice, the Company used the grant date stock price for determining the number of PSUs to grant. PSU values shown in the "Stock Awards" column of the Summary Compensation table (page 61), and the Grants of Plan Based Awards table (page 63) are based on the grant date fair value (accounting value) of PSUs determined under GAAP. The accounting value of each PSU as of the grant date was \$82.89. Accounting value of PSUs exceeded the grant date stock price due to the addition of the rTSR modifier to PSUs in 2015, with the resulting valuation positioning the accounting value approximately 5% above the grant date stock price.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

THE COMPENSATION PROGRAM

Key components of our executive officer compensation program and each component's role are described below.

PAY ELEMENT

ROLE IN OUR COMPENSATION PROGRAM

Our LTI vehicles, which collectively constitute a majority of total direct compensation, share the following characteristics:

RSUs

Align interests of executives to stockholders	Retain executives during periods of macro-economic or industry instability
Retain key talent	Replicate the stockholder experience through a direct connection between stock price growth and executive's wealth
Tie the value ultimately realized to performance	

Options

Provide a leveraged incentive for driving stock price growth

Allow executives to realize rewards for results achieved over the long-term by utilizing the 10 year option term

Benefits and Perquisites

Constitute a minor portion of compensation while maximizing executives' focus on company operations

(1)

References to Income from Operations and Segment Operating Profit refer to those metrics determined based on Core Earnings.

In 2015, the Compensation Committee reviewed our executive compensation program to determine how well pay structure and amounts aligned with our strategic objectives and desired competitive positioning. Overall, the Compensation Committee believes the program remains aligned with our key objectives.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

LTI Design Evolution

Since going public our compensation program has continuously evolved to reflect a greater focus on achieving performance goals to which management has line-of-sight. This evolution is most evident in the changes in our LTI mix (allocation of LTI grant value by vehicle): in 2015 RSUs were at 30%, declining from 70% in 2009, and PSUs increasing to 50%, from 23% when introduced in 2011. PSU program design has also been updated for 2015 by adding an rTSR modifier to the internal Return (iR) metric.

Pay-for-Performance Alignment

As illustrated below, our CEO's 2015 compensation (and that of other executive officers) is highly sensitive to performance relative to our MIP and PSU performance goals, as well as stock price at vest.

Performance assumptions used to demonstrate the sensitivity of pay to performance are meant for illustrative purposes only and are listed below:

ASSUMPTIONS	MIP & PSU PAYOUTS	STOCK PRICE
Low Performance	50% of Target	\$63.36 (Grant Price - 20%)
High Performance	150% of Target	\$95.04 (Grant Price + 20%)

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Competitive Pay Positioning

In making 2015 compensation decisions, the Compensation Committee reviewed market data on compensation paid to similarly-situated executives in our peer group during 2014, along with the performance of those peers in comparison to our performance. In determining pay positioning for executive officers, the Compensation Committee takes the following considerations into account:

Factors Driving Competitive Pay Positioning of Executives

Approximate compensation opportunity positioning in 2015 was as follows:

PAY COMPONENT NEO PAY POSITIONING

NEO PAY POSITIONING

Salary

Median

Target Cash (Salary + Bonus Target)

Median

Total Target Direct (Target Cash + LTI)

Designed to approximate market median if performance relative to PSU goals is near market median levels

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

**PEER GROUP DEVELOPMENT COMPENSATION PROGRAM
BENCHMARKING**

In 2014, our Compensation Committee, with the assistance of Mercer, reviewed potential peers. Peer companies were selected and used to calibrate our executive compensation program for 2015. Our peers are companies operating in similar industries with whom we are most likely to exchange talent at the executive officer level. We used the following criteria to select compensation peers:

Peer Group Filtering Criteria and Rationale

Based on the peer selection methodology outlined above, the Compensation Committee approved the following peer companies ("Compensation Peers") to use as a benchmark in the Compensation Committee's 2015 executive compensation decisions:

Brown-Forman Corporation	Constellation Brands, Inc.	The J. M. Smucker Company
Campbell Soup Company	Dean Foods Company	Kellogg Company
Chiquita Brands International, Inc.	General Mills, Inc.	McCormick & Company, Incorporated
The Clorox Company	The Hershey Company	Molson Coors Brewing Company
ConAgra Foods, Inc.	Hormel Foods Corporation	WhiteWave Foods

The Compensation Committee made two changes to the peer group at the time of its review:

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Removed Hillshire Brands due to its acquisition by Tyson Foods

Added WhiteWave Foods to reflect the fit with peer group selection criteria

In 2014, when the peers discussed were selected, Mercer advised the Compensation Committee that DPS's revenue and market cap approximated peer medians based on data shown below (\$ amounts in millions):

Peer Group Net Sales

Peer Group Market Cap



Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

BASE SALARY

Salary adjustments are made annually based on individual performance, promotions, changes in responsibilities and market movement.

Salary increases in recent years have been modest, with the CEO not receiving increases in 2013, 2014 and 2015.

NAME	2012 SALARY	INCREASE	2013 SALARY	INCREASE	2014 SALARY	INCREASE	2015 SALARY
Larry D. Young	\$1,075,000	0%	\$1,075,000	0%	\$1,075,000	0%	\$1,075,000
Martin M. Ellen	545,000	2.8%	560,000	2.0%	571,000	2.0%	582,500
Rodger L. Collins	546,300	2.5%	560,000	2.5%	574,000	3.0%	591,000
James J. Johnston	546,300	2.5%	560,000	2.5%	574,000	3.0%	591,000
Derry L. Hobson	475,000	2.0%	484,500	2.0%	494,000	1.5%	501,500
Average Increase		2.0%		1.8%		1.9%	

New salaries generally become effective in April of each year. Values shown above reflect new salaries following the April increases.

Salary increases for our NEOs in 2012 through 2015 were made by the Compensation Committee, considering the level of salary relative to key comparators, and individual performance. As a result of these actions, the salaries for all NEOs are near the median of our peer group.

ANNUAL INCENTIVE

The MIP is our annual cash incentive program designed to reward achievement of pre-established Net Sales and Income from Operations goals.

Plan Metrics: Performance metrics and associated weightings for each NEO are shown below:

METRIC	CEO, CFO, EVP SUPPLY CHAIN	BUSINESS UNIT PRESIDENTS
Consolidated Net Sales	40%	40%
Consolidated Income from Operations	60%	30%
Segment Operating Profit		30%

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Performance Targets: Target performance was set above last year's levels and was judged to be challenging, yet achievable in light of industry dynamics.

CORPORATE METRICS	PERFORMANCE CONDITION AND ASSOCIATED PAYOUT	PERFORMANCE GOAL (in millions)	GOAL SETTING CONTEXT
	Threshold (25%)	\$5,870	Targeted 1.0% net sales growth vs. 2014 results, net of anticipated negative 1.0% foreign currency impact. Incentive plan targets were set against the backdrop of declining Carbonated Soft Drinks (CSD) volumes in the U.S. and Canadian markets.
Net Sales	Target (100%)	\$6,179	
	Maximum (200%)	\$6,488	
	Threshold (25%)	\$1,131	Targeted 3.2% annual income from operations growth vs. 2014 results, net of anticipated negative 2.0% foreign currency impact.
Income From Operations	Target (100%)	\$1,243	
	Maximum (200%)	\$1,355	

SEGMENT OPERATING PROFIT METRICS	PERFORMANCE CONDITION AND ASSOCIATED PAYOUT	PERFORMANCE GOAL (in millions)
	Threshold (25%)	\$849
	Target (100%)	\$933

Beverage
Concentrate and

Latin America Beverages	Maximum (200%)	\$1,017
	Threshold (25%)	\$548
Packaged Beverages	Target (100%)	\$602
	Maximum (200%)	\$656

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

PERFORMANCE METRICS

The moderate bias towards profit weighting recognizes the realities of falling demand within the CSD industry while striking an appropriate balance between acting as a motivator and holding participants accountable for growing the top line.

MIP Pay-for-Performance Alignment

NEO performance targets for net sales and income from operations metrics require meaningful, yet achievable "stretch" performance in order to earn a target payout. Over the last four years that the current plan design has been in place, our average MIP payout has been within 20% of target.

MIP Historical Payouts (Consolidated Metrics) and Pay-for-Performance

- (1) *The average of payouts relative to target for Business Unit Presidents were similar to the corporate metrics shown above*
- (2) *rTSR is relative to compensation peer group.*
-

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

In recent years MIP payouts were driven by mixed net sales performance and above target profits, reflecting the following:

INDUSTRY REVENUE CHALLENGES

Significant revenue headwinds due to unfavorable shifts in consumer behavior and preferences

DPS's challenges in achieving organic revenue growth against these headwinds

High valuations of would-be acquisition targets making it difficult to expand into new product categories and markets without significantly overpaying for these acquisitions

MADE UP FOR THROUGH EXECUTION EXCELLENCE

Sales volumes increased by partnering with allied brands in high growth categories

Our strong profitability performance partially offset the revenue weakness in the CSD segment

Efficiency gains driven by our Rapid Continuous Improvement (RCI) initiatives allowed us to meet and exceed profitability targets

Results for Fiscal Year 2015

In fiscal year 2015 the target financial goal at the corporate level, the fiscal year 2015 results ("Results") (against which the targets are measured as determined by the Compensation Committee) and the payout percentages were as follows (in millions):

METRIC	TARGET (100%)	RESULTS	PAYOUT PERCENTAGE
Net Sales	\$6,179	\$6,282	133.3%
Income from Operations	\$1,243	\$1,312(1)	161.5%
Segment Operating Profit (SOP):			
Beverage Concentrates and Latin America Beverages	\$933	\$945(1)	114.5%

Packaged Beverages	\$602	\$661(1)	200.0%
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(1)

The Target amounts and Results reflected in these columns and used to calculate the payout are based on Core Earnings. Core Earnings is defined as results, as reported, adjusted for the unrealized mark-to-market impact of commodity derivatives and certain items that are excluded for comparison to prior year periods. A reconciliation of Income from Operations and SOP, as reported in our Form 10-K filed with the SEC on February 23, 2016, to the results used for the MIP determination is attached to this Proxy Statement as Annex I.

Refer to the Annex I on page A-I for a Reconciliation of Core Earnings to GAAP financials.

2015 Payout Calculation: The actual awards are calculated based on year-end salary and are shown below:

NAME	2015 YEAR END SALARY	MIP TARGET (%) (1)	MIP TARGET (\$)	MIP PAYOUT (%) (2)	MIP PAYOUT (\$)
Young	\$1,075,000	150%	\$1,612,500	150.2%	\$2,421,814
Ellen	582,500	90%	524,250	150.2%	787,371
Collins	591,000	85%	502,350	161.8%	812,551
Johnston	591,000	85%	502,350	136.1%	683,648
Hobson	501,500	75%	376,125	150.2%	564,902

(1)

MIP Target % is multiplied times the 2015 Year End Salary to determine MIP Target.

(2)

MIP Payout % is multiplied times the MIP Target to determine MIP Payout.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

LONG-TERM INCENTIVE AWARDS

In addition to motivating executives to grow the stock price, using three vehicles creates the necessary tension between the various performance objectives, which are aligned with stockholder interests:

LTI VEHICLE	INCENTIVE OBJECTIVE	EXPLANATION
PSUs	Execute against clearly defined financial objectives	PSU awards require achievement of a combination of net income growth and cash flow yield to secure a payout
PSUs and RSUs	Increase dividend payments	PSUs and RSUs receive (upon vest) accrued dividend equivalents
RSUs	Retention during periods of macro-economic or industry specific distress	RSUs will retain some tangible value even during periods of falling stock prices and low MIP and PSU payouts
RSUs	Avoid value destruction	Participants experience same stock price decline as investors
Options	Take prudent risks to grow the stock price	Leveraged vehicle that magnifies participant's gains when stock price appreciates

2015 LTI Vehicle Details

Our 2015 LTI award details are outlined below. The Compensation Committee believes that these awards to NEOs will focus attention on building stockholder value over the long-term, reinforce the importance of their roles as stewards of the business, and help to retain the executives.

The following provides more detail about the various award programs:

LTI VEHICLES	LTI MIX	BRIEF DESCRIPTION	VESTING AND EXERCISE RESTRICTIONS
PSUs	50%	<p>PSU represents an opportunity to receive one share of stock</p> <p>PSUs are credited with dividend equivalents reinvested on dividend payment date</p> <p>Dividend equivalents are paid only on PSU shares that vest based on performance</p>	<p>PSUs vest based on achievement against pre-determined performance targets</p> <p>Performance period is 3 years, with cliff vesting</p>
RSUs	30%	<p>RSU represents an opportunity to receive one share of stock</p> <p>RSUs are credited with dividend equivalents reinvested on dividend payment date</p>	<p>Cliff vesting after 3 years</p>
Options	20%	<p>Exercise price is equal to the closing market price of our common stock on the grant date</p> <p>Repricing of outstanding awards is prohibited without stockholder approval</p>	<p>Pro-rata vesting over 3 years</p> <p>Option may be exercised up to 10 years from grant</p>

RSUs vest 100% after 3 years, compared to 33% per year for options, in order to better reflect the retention objective of RSUs.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

PSU Program Internal Return Measurement Structure and Results

Our Internal Return (iR) performance measure used for the PSU program is summarized below.

2013 PSU Cycle (2013-2015 Fiscal Years)

*

0 and 1 subscripts refer to prior year (0) and current year (1) financials. Net Income is calculated on a Core Earnings basis, adjusted for certain items. For detailed definitions of the terms used in the Internal Return calculation refer to the Annex I on page A-I.

FY COMPARISON	NET INCOME GROWTH (A)		FREE CASH FLOW YIELD (B)		INTERNAL RETURN (C)
2013 vs. 2012	6.26%		7.74%		14.00%
2014 vs. 2013	10.64%		9.02%		19.66%
2015 vs. 2014	7.71%	+	7.78%	=	15.49%
Average	8.20%		8.18%		16.38%

Internal Return of 16.38% resulted in a payout of 200% of target based on the leverage structure shown on page 52.

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Net Income (NI), Cash Flow from Operations (CFFO) and Capital Expenditures (CapEx) are updated annually during each three year performance cycle.

Each three-year PSU performance period has a fixed P/E ratio. The P/E is fixed as of the end of the year immediately preceding the first year of each performance period.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

PSU Plan Design Analysis

PLAN DESIGN ASPECT

IMPACT ON PARTICIPANTS' INCENTIVES

Annual resetting of NI in the NI Growth and Free Cash Flow (FCF) Yield denominators

Requires continuous improvement in the numerator (NI Growth and FCF) to achieve target performance in a rising earnings scenario, which has been the case during the life of this program

Free cash flow yield denominator (NI \times P/E) simulates market value of invested capital at cycle start

Fixing P/E and NI in the year before the performance period starts focuses participants on the variables directly within their control

Embedding continuous improvement requirement in iR performance measurement

Supports our initiative to quickly increase profitability through efficiency gains

Calculating results based on a three year average

Ensure that performance during every year of the cycle impacts results

Internal Return as the PSU Metric

At a high-level, the iR formula is a close approximation of our stockholder value creation process:



Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Role of Internal Return in Performance Measurement Framework

We believe that corporate performance is too complex to be assessed through a single metric, or type of metric, and requires a holistic view. When evaluating incentive plan design we view the MIP and LTI plans as complementary elements of our total compensation package. In designing our incentive plans we strive to reflect this balanced perspective and have largely achieved that goal.

PSU Goal Setting and Leverage Structure

PSU iR goals at threshold, target and maximum were set based on historical performance data collected from peer companies and the S&P 500 over both the relatively recent past (since 2000) and a longer, multi-decade period.

PERFORMANCE CONDITION	iR TARGET	CORRESPONDING PERFORMANCE LEVEL IN EXTERNAL MA PAYOUT	PEERS	S&P 500
Threshold	8%	50%	Below Median	Below Median
Target	12%	100%	50th to 60th Percentile	Median
Maximum	16%	200%	65th to 75th Percentile	65th to 75th Percentile

Applying historical data for future periods was judged as reasonable in light of near-term performance expectations since program inception. We will continue to monitor the external environment and adjust goals as appropriate.

Commencing in 2015, relative stock price performance, as measured by rTSR, will be a modifier of PSU Payouts. See discussion on page 54.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

PSUs Pay-for-Performance

We have had three PSU cycle payouts: 2011-2013 cycle, 2012-2014 cycle, and 2013-2015 cycle. PSU cycles pay out in February following the end of the performance period. Given the long-term nature of this program and the associated goal setting approach, pay-for-performance alignment can only be adequately judged over time. To date we have observed strong directional alignment between payouts and TSR over the three year performance periods compared to our peers.

PSUs Historical Payouts and Pay-for-Performance

PSUs Earned By NEOs 2013 to 2015 Cycle

NAME	PSUs GRANTED(1)	PAYOUT (%)	SHARES EARNED(2)
Larry D. Young	59,497	200%	118,993
Martin M. Ellen	13,882	200%	27,764
Rodger L. Collins	13,387	200%	26,773
James J. Johnston	13,387	200%	26,773
Derry L. Hobson	8,429	200%	16,857

(1) *Includes dividend equivalent accrued through December 31, 2015 ex-dividend dates.*

(2) *Rounded down to nearest whole share.*

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

LTI Program Changes for 2015

In 2015, LTI mix for our NEOs increased PSU weighting to 50% of LTI (from 40% in 2014), while decreasing RSUs to 30% of LTI (from 40% in 2014). Beginning with the 2015 PSU grant (2015-2017 performance cycle), we also added a rTSR modifier to the existing iR design. The modifier functions as follows:

If rTSR at the end of the three-year PSU cycle falls between the 25th and 75th percentiles of our peers, participants will receive a payout based solely on iR performance

25% rTSR modifier is triggered only for cycles when rTSR is either in the bottom or top quartile of TSR peers

The rTSR peer group was selected based on the same criteria as used for our compensation peer group as well as likely competitors for investor funds operating in the same or related industries. Based on these considerations, the 2015 PSU rTSR peer group included all of the compensation peers in place at the time of the grant and the following companies:

PepsiCo, Inc.	Cott Corporation	Keurig Green Mountain, Inc.
The Coca-Cola Company	Monster Beverage Corporation	National Beverage Corp.
Coca-Cola Enterprises, Inc.	Coca-Cola Bottling Co. Consolidated	

Role of rTSR Modifier in the PSU Program

We added a rTSR modifier to our PSU program to prevent significant disconnects between PSU payouts and TSR results and to introduce a more balanced performance perspective.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Under our new design the value of PSU payouts to participants will be impacted by the following factors:

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

BENEFITS AND PERQUISITES

Our benefit and perquisites programs are based upon an assessment of competitive market factors and a determination of what is needed to attract and retain high caliber executives. The business rationale for providing these benefits and perquisites is to minimize distractions that can arise from complex financial planning and security needs, travel logistics and health related problems.

Our primary benefits for executive officers include participation in our broad-based retirement and health and welfare plans.

We provide our NEOs with the following executive level benefits and perquisites:

BENEFITS/PERQUISITES EXPLANATION

Supplemental Savings Plan The only nonqualified deferred compensation plan sponsored by us for NEOs is the Supplemental Savings Plan (SSP), a non-tax qualified defined contribution plan.

The SSP is for employees who are actively enrolled in the Savings Incentive Plan (SIP) and whose deferrals under the SIP are limited by the Code compensation limitations. Employees may elect to defer up to 75% of their base salary over the compensation limit (established in the Code) to the SSP, and we match 100% of the first 4% of base salary that is contributed by employees. All SSP funds, including company contributions, are immediately fully vested.

Executive Service Allowance All NEOs receive an annual allowance that can be used to obtain financial planning and tax preparation services and other related benefits. Executives pay tax on this allowance.

Automobile Allowance The automobile allowance benefit gives eligible executives an opportunity to use their car for both business and personal use in an efficient manner. Executives pay tax on this allowance.

Executive Long-term Disability Supplemental to our group disability program, the executive long-term disability program provides a benefit of up to 60% of total target compensation, up to a maximum amount of \$30,000 per month. Total target compensation equals the sum of base pay and cash incentive compensation.

Annual Physicals Our NEOs have the opportunity to undergo executive physicals on an annual basis to identify and treat health conditions at an early stage, maximizing the chance of a quick recovery.

Personal Corporate Aircraft Use For security and efficiency reasons the CEO uses the corporate aircraft for all air travel. The NEOs do not use the corporate aircraft for personal travel, unless approved by the CEO.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

SEVERANCE PROTECTIONS

We have severance protections addressing termination upon a CIC, non-CIC related involuntary termination, death, disability and retirement. Benefits upon these key termination events are summarized below, with detailed descriptions provided in "Historical Executive Compensation Information Post-Termination Compensation" beginning on page 68.

Based on feedback from certain stockholders in 2014, the Company has committed to not expanding CIC excise tax gross-up protections beyond the current six participants.

ROLE OF THE COMPENSATION COMMITTEE

The Compensation Committee oversees our executive compensation program. The Compensation Committee establishes and monitors our overall compensation strategy to ensure that executive compensation supports our business objectives. In carrying out its duties, the Compensation Committee is responsible for setting the compensation of the CEO and all other executive officers. As part of this compensation setting process, the Compensation Committee, with assistance from its executive compensation consultant, reviews the compensation, in total and by element, of similarly-situated executives in our peer group. The Compensation Committee also consults with the other independent directors on the Board before setting annual compensation for our executive officers. The Chairperson of the Compensation Committee regularly reports on committee actions to the Board of Directors.

For a more complete description of the responsibilities of the Compensation Committee, see "Corporate Governance Board Committees and Meetings Compensation Committee" beginning on page 21 and the charter for the Compensation Committee posted on our website at www.drpeppersnapplegroup.com under the Investors Corporate Governance Committee Charters Compensation Committee Charter captions.

ROLE OF COMPENSATION CONSULTANT

The Compensation Committee has retained Mercer as its outside executive compensation consultant to advise on executive compensation matters. Mercer regularly attends Compensation Committee meetings and reports directly to the Committee on matters relating to compensation for our executive officers, including the CEO (see "Corporate Governance Board Committees and Meetings Compensation Committee" beginning on page 21 for a list of Mercer's duties in 2015). As discussed in that section, the Company uses Mercer for other services that are

unrelated to executive compensation. If the Company wishes to engage Mercer on a significant project, then management will review the proposed engagement with the Compensation Committee prior to Mercer's engagement by the Company.

ROLE OF COMPANY MANAGEMENT

The CEO develops preliminary compensation recommendations for our executive officers (other than the CEO) and provides these recommendations to the Compensation Committee. Management is responsible for the administration of the compensation programs once Compensation Committee decisions are finalized.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

COMPENSATION GOVERNANCE POLICIES AND PROVISIONS**Equity Award Procedures**

We have established equity award procedures to develop a consistent practice for granting equity-based awards. Under these procedures, the Board, with respect to equity awards to non-executive directors, and the Compensation Committee, with respect to employee awards, may grant equity awards at its first regularly-scheduled meeting in each calendar year (or at any special meeting, so long as this special meeting occurs on or before March 2 of each calendar year). The effective date of these equity awards will be March 2 (or if not a NYSE trading day, the first NYSE trading day after March 2). The Compensation Committee may also make equity awards to new hires, employees receiving promotions, employees receiving retention grants and persons becoming employees as a result of an acquisition at any regularly scheduled meeting or at any special meeting called for that purpose.

The Board may also make equity awards to persons who become new directors at any regularly scheduled meeting or at any special meeting called for that purpose. The Special Award Committee may make awards to employees at any time, but the effective date of such awards is the first business day of the next succeeding month after the Special Award Committee selects employees for awards. Awards by the Special Award Committee are also governed by the limitations established by the Compensation Committee. For a more complete description of the authority and limitations of the Special Award Committee, see "Corporate Governance Board Committees and Meetings Special Award Committee" on page 24.

Our equity award procedures require that the exercise or grant price of an equity award equal the closing market price of our common stock on the effective date of the award. Our procedures also set forth the procedural and control requirements for granting equity awards.

Executive Stock Ownership Guidelines

In 2010, the Company adopted stock ownership requirements, as described below. All of our NEOs met these requirements as of the record date.

EXECUTIVE	OWNERSHIP REQUIREMENT	TIME TO COMPLY	TYPES OF OWNERSHIP COUNTED TOWARD REQUIREMENT
CEO	6X salary	Later of 5 years after	Shares owned directly
CFO, Business Unit Presidents	4X salary	becoming subject to	Unvested RSUs
Other EVPs	3X salary	guideline or 12/31/2015	

Each calendar year, executive ownership is valued based on the average daily closing stock price. There are varying ownership multiples required for other officers of the Company.

In 2015, the Committee increased the CEO's ownership requirement to six times salary. The Committee also added share retention requirements to the ownership policy. Executives are required to retain at least 50% of net, after-tax vested RSUs and PSUs until the ownership requirement is met.

Tally Sheets

The Compensation Committee reviews tally sheets annually, prior to making compensation decisions for the upcoming year. Tally sheets provide a concise summary of the various compensation elements, demonstrate the performance sensitivity of our compensation program, and quantify the value of unvested equity and severance benefits under key termination scenarios.

Insider Trading Policy

Our Insider Trading Policy prohibits employees from trading our securities or securities of any other company when the employee possesses or has knowledge of material information that is not generally known or available to the public about the Company or such other company. Among other provisions, the Insider Trading Policy also prohibits directors, officers and employees from entering into hedge transactions which would normally be entered into if an investor thought the market price for the shares was going to decline.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Clawback Policy

In 2011, the Compensation Committee approved a Clawback Policy (the "Clawback Policy") in advance of regulations to be promulgated by the NYSE under the Investor Protection and Securities Reform Act of 2010. If necessary, the provisions of the Clawback Policy will be reconsidered when the final regulations are published. The Clawback Policy may be triggered by a financial restatement (other than to comply with changes in applicable accounting principles), or commission of fraud or willful misconduct by an incentive award recipient. If triggered, the policy provides for recovery of incentive compensation paid in excess of the incentive compensation that would have been paid based on the restated financials, or recovery of incentives paid during the period of fraud or willful misconduct. The Company may also seek any additional equitable or legal remedies under facts which give rise to a claim by the Company under the Clawback Policy.

Tax Treatment

Under Section 162(m) of the Code, compensation paid to the CEO and the other three most highly paid executives (excluding the Chief Financial Officer) is deductible only if the compensation is less than \$1 million or the compensation is performance based. The applicable performance-based awards granted under the MIP and the Omnibus Stock Incentive Plan of 2009 are designed with the intent to comply with Section 162(m) of the code and be fully tax deductible for us. However, the Compensation Committee reserves the right to decide to pay executive officers amounts that may not be deductible under Section 162(m), if the Compensation Committee determines that decision is in the best interests of the Company and its stockholders.

COMPENSATION RISK ASSESSMENT

At the request of our Compensation Committee, in 2015 Mercer reviewed the Company's compensation programs and related governance provisions and practices in connection with the preparation of this Proxy Statement to determine if disclosure was required under Item 402(s) of SEC Regulation S-K.

Mercer concluded that DPS compensation programs are aligned to the interests of its stockholders, provide for appropriate pay for performance alignment, contain numerous risk mitigating features and do not promote unnecessary and excessive risk. Based on Mercer's assessment, the Compensation Committee believes that the Company's compensation programs do not provide incentives for excessive risk-taking and, therefore, do not encourage employees to take unreasonable risks relating to the Company's business.

Table of Contents

REPORT OF
THE COMPENSATION
COMMITTEE ON
EXECUTIVE COMPENSATION

Through February 28, 2015 Ms. Szostak (Chairperson), Ms. Roché and Mr. Rogers served on the Compensation Committee. Commencing on March 1, 2015 Ms. Szostak (Chairperson), Ms. Shive, and Ms. Roché served on the Compensation Committee. In fulfilling its responsibilities, the Compensation Committee reviewed and discussed with management the Compensation Discussion and Analysis set forth in this Proxy Statement.

In reliance on the review and discussions referred to above, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement and the Company's Annual Report on Form 10-K for the year ended December 31, 2015 (through incorporation by reference to this Proxy Statement).

**Submitted by the
Compensation Committee of the Board**

M. Anne Szostak, Chairperson
Dunia A. Shive
Joyce M. Roché

THE ABOVE REPORT OF THE COMPENSATION COMMITTEE WILL NOT BE DEEMED TO BE SOLICITING MATERIAL OR TO BE FILED WITH OR INCORPORATED BY REFERENCE INTO ANY FILING BY US UNDER THE SECURITIES ACT OF 1933 OR THE EXCHANGE ACT, EXCEPT TO THE EXTENT THAT WE SPECIFICALLY INCORPORATE SUCH REPORT BY REFERENCE.

Table of Contents

HISTORICAL EXECUTIVE
COMPENSATION
INFORMATION

The executive compensation disclosure contained in this section reflects compensation information for 2015 for our Named Executive Officers.

Summary Compensation Table

The following table sets forth information regarding the compensation earned by NEOs in fiscal years 2013, 2014 and 2015.

Summary Compensation Table

POSITION	YEAR	SALARY (\$)	BONUS (\$)	STOCK AWARDS \$(1)	OPTION AWARD \$(2)	NON-EQUITY INCENTIVE PLAN COMPENSATION \$(3)	CHANGE IN	ALL OT
							PENSION VALUE AND NONQUALIFIED DEFERRED COMPENSATION EARNINGS \$(4)	
	2015	\$1,075,000	\$	\$4,799,916	\$1,199,992	\$2,421,814	\$39,795	\$37
	2014	1,075,000		4,799,935	1,199,997	2,131,564	54,290	41
	2013	1,075,000		4,799,954	1,199,997	1,568,479	21,783	38
	2015	\$579,846	\$	\$1,164,953	\$291,241	\$787,371		\$11
icer	2014	568,462		1,141,921	285,499	679,325		11
	2013	556,538		1,119,950	279,997	490,241		12
	2015	\$609,154(6)	\$	\$1,079,892	\$269,998	\$812,551		\$11
verages	2014	570,231		1,079,905	269,996	718,189		10

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	2013	556,311		1,079,986	269,997	520,173			10
	2015	\$587,077	\$	\$1,079,892	\$269,998	\$683,648	\$77,691		\$17
concentrates & beverages	2014	570,770		1,079,905	269,996	595,043	130,933		17
	2013	556,838		1,079,986	269,997	399,412	29,954		17
	2015	\$499,769	\$	\$719,928	\$179,993	\$564,902			\$9
	2014	491,808		719,902	179,997	489,764			9
	2013	482,308		679,998	169,996	353,455			9

(1)

The amounts reported in the Stock Awards column reflect the grant date fair value associated with awards of RSUs and PSUs to each of the NEOs (amounts do not include any RSUs and PSUs that have been paid as dividend equivalents subsequent to the date of the award). The value of the PSUs awarded is subject to the achievement of certain performance criteria over a three-year performance period (see "Compensation Discussion and Analysis – Long-Term Incentive Awards" beginning on page 49). Even though the awards may be forfeited, the amounts do not reflect this contingency. Assumptions used to calculate these amounts (disregarding forfeiture assumptions) are included in Note 16 "Stock-Based Compensation," to our Consolidated Financial Statements, which are included in our 2015 Form 10-K. For further information on the stock awards granted in fiscal year 2015, see "Historical Executive Compensation Information – Grants of Plan-Based Awards" beginning on page 63.

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

- (2) *The amounts reported in the Option Awards column represent the grant date fair value associated with option grants to each of the NEOs. Even though the awards may be forfeited, the amounts do not reflect this contingency. Assumptions used to calculate these amounts (disregarding forfeiture assumptions) are included in Note 16 "Stock-Based Compensation" to our Consolidated Financial Statements, which are included in our 2015 Form 10-K. For further information on the stock option grants awarded in fiscal year 2015, see "Historical Executive Compensation Information - Grants of Plan-Based Awards" on page 63.*
- (3) *The amounts reported in the Non-Equity Incentive Plan Compensation column reflect the amounts earned by each NEO under the Company's MIP.*
- (4) *The amounts reported in the Nonqualified Deferred Compensation Earnings column represent an estimate of the aggregate annual change in the actuarial present value of accumulated benefits under the Personal Pension Account Plan and the Pension Equalization Plan (as applicable), as described in more detail in the "Historical Executive Compensation Information - Pension Benefits" beginning on page 65. The change in the actuarial present value of the accumulated benefits under the plans was determined in accordance with GAAP. Assumptions used to calculate these amounts are included in Note 14 "Employee Benefit Plans" to our Consolidated Financial Statements, which are included in our 2015 Form 10-K.*
- (5) *Amounts reported in the All Other Compensation column reflect other compensation for each NEO, including, but not limited to, (i) the incremental cost to the Company of all perquisites and other personal benefits, (ii) the amount of any tax reimbursements, (iii) the amounts contributed by the Company to the tax-qualified defined contribution plans and non-tax qualified contribution plans and (iv) the amount of any insurance premiums paid by the Company.*
- (6) *2015 payroll cycle for Mr. Collins contained 27 paychecks instead of the usual 26 paychecks. The additional paycheck resulted from the acceleration of a payroll date of 1/1/2016 to 12/31/2015 in order to avoid a delayed funds disbursement due to 1/1/2016 being a bank holiday. Absent this infrequent acceleration, Mr. Collins salary for the year would have been \$587,077.*

"All Other Compensation" for fiscal year 2015 is summarized as follows:

	AUTOMOBILE ALLOWANCE	SERVICE ALLOWANCE	DISABILITY INCOME PREMIUMS	COMPANY CONTRIBUTIONS	CORPORATE AIRCRAFT	EXECUTIVE PHYSICALS	TOTAL
	(\$)	(\$)	(\$)(a)	(\$)(b)	(\$)(c)	(\$)	(\$)
Mr. Young	35,100	24,000	7,421	291,206	21,994		379,721
Mr. Ellen	31,200	20,000	10,460	42,361	9,049	2,664	115,734

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Mr. Collins	29,700	19,000	8,608	56,169	2,934	3,531	119,842
Mr. Johnston	28,600	19,000	5,107	122,427	1,660		176,794
Mr. Hobson	24,700	14,000	8,566	45,349	2,203		94,818

(a) *Includes the gross-up for taxes to be paid by the NEO on the premium that was included in the NEO's income.*

(b) *The amounts reported in the Company Contributions column represent our contributions to the tax-qualified defined contribution plans and non-tax qualified defined contribution plans. The contributions to the tax qualified defined contribution plans for 2015 are as follows: \$32,375 for Mr. Young, \$18,400 for Mr. Ellen, \$18,400 for Mr. Collins, \$34,975 for Mr. Johnston and \$18,400 for Mr. Hobson. The contributions to the non-tax qualified defined contributions plans for 2015 are as follows: \$258,831 for Mr. Young, \$23,961 for Mr. Ellen, \$37,769 for Mr. Collins, \$87,452 for Mr. Johnston, and \$26,949 for Mr. Hobson.*

(c) *For SEC purposes, the cost of personal use of a corporate aircraft is calculated based on the aggregate incremental cost to us. We calculated the aggregate incremental cost using estimated variable costs of operating the aircraft. Fixed costs which do not change based on usage, such as pilot salaries, depreciation of aircraft and cost of maintenance are excluded.*

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

Grants of Plan-Based Awards

The following table sets forth information regarding equity plan awards and non-equity incentive plan awards by us to our NEOs in fiscal year 2015. For a discussion of the material terms of these awards, see "Compensation Discussion and Analysis - Long-Term Incentive Awards" beginning on page 49 and "Historical Executive Compensation Information - Summary Compensation Table" beginning on page 61.

Grants of Plan-Based Awards

ESTIMATED FUTURE PAYOUTS UNDER NON-EQUITY INCENTIVE PLAN AWARDS(1)			ESTIMATED FUTURE PAYOUTS UNDER EQUITY INCENTIVE PLAN AWARDS(2)			ALL OTHER STOCK AWARDS: NUMBER OF SHARES OF STOCK OR	ALL OTHER OPTIONS AWARDS: NUMBER OF SECURITIES UNDERLYING	EXERCISE OR BASE PRICE OF OPTION AWARD
THRESHOLD	TARGET	MAXIMUM	THRESHOLD	TARGET	MAXIMUM	UNITS	OPTION	AWARD
(\$)	(\$)	(\$)	(#)	(#)	(#)	(#)(3)	(#)(4)	(\$/SH)
\$403,125	\$1,612,500	\$3,225,000	18,939	37,878	75,756	22,727	130,151	\$79.00
\$131,063	\$524,250	\$1,048,500	4,596	9,193	18,386	5,516	31,588	\$79.00
\$125,588	\$502,350	\$1,004,700	4,261	8,522	17,044	5,113	29,284	\$79.00
\$125,588	\$502,350	\$1,004,700						

				5,113		
		4,261	8,522	17,044		
					29,284	\$79.
\$94,031	\$376,125	\$752,250				
				3,409		
		2,840	5,681	11,362		
					19,522	\$79.

- (1) *The amounts reported in the Estimated Future Payouts Under Non-Equity Incentive Plan Awards column represent the potential payouts of annual cash incentive awards granted to our NEOs in fiscal year 2015 under the MIP subject to the achievement of certain performance measures. The actual amount of the awards made to the NEOs and paid in cash is included in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.*
- (2) *Subject to the achievement of certain performance criteria, represents the potential number of shares that may be issued to the NEO pursuant to the grant of PSU awards made in fiscal year 2015 under the Omnibus Stock Incentive Plan of 2009 (see "Compensation Discussion and Analysis – Long-Term Incentive Awards" beginning on page 49).*
- (3) *Represents the number of shares subject to RSU awards made in fiscal year 2015 under the Omnibus Stock Incentive Plan of 2009. The RSU awards vest three years from the grant date.*
- (4) *Represents the number of shares subject to stock option grants made in fiscal year 2015 under the Omnibus Stock Incentive Plan of 2009. All options granted in fiscal year 2015 to NEOs have a term of ten years from the grant date and vest one-third on the first, second and third anniversaries of the grant date, contingent on the NEO continuing his employment with the Company through each date.*
- (5) *Represents the exercise price for the option awards, which were determined based on the closing market price of a share of our common stock on the date of grant.*

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

Outstanding Equity Awards

The following table sets forth information regarding exercisable and unexercisable stock options and vested and unvested equity awards held by each NEO as of December 31, 2015. All such awards relate to shares of our common stock.

Outstanding Equity Awards at Fiscal Year End

		OPTION AWARDS(1)			STOCK AWARDS(2)		
NUMBER OF SECURITIES UNDERLYING EXERCISED OPTIONS (#) EXERCISABLE	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) UNEXERCISABLE	EQUITY INCENTIVE PLAN AWARDS:		OPTION EXPIRATION DATE	NUMBER OF SHARES OR UNITS OF STOCK THAT HAVE NOT VESTED (#)(3)	MARKET VALUE OF SHARES OR UNITS OF STOCK THAT HAVE NOT VESTED (\$)(3)	IN PLAN NU UN SHAR O RIGH H VES
		NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE (\$)				
	57,803		\$43.82	3/4/2023	59,497	\$5,545,084	
	137,930		\$51.68	3/3/2024	48,809	\$4,548,988	
	130,151		\$79.20	3/2/2025	23,263	\$2,168,090	
21,975	13,487		\$43.82	3/4/2023	13,882	\$1,293,809	
16,408	32,816		\$51.68	3/3/2024	11,612	\$1,082,220	
	31,588		\$79.20	3/2/2025	5,646	\$526,210	
26,012	13,005		\$43.82	3/4/2023	13,387	\$1,247,641	
15,517	31,034		\$51.68	3/3/2024	10,981	\$1,023,446	
	29,284		\$79.20	3/2/2025	5,234	\$487,765	
26,012	13,005		\$43.82	3/4/2023	13,387	\$1,247,641	
15,517	31,034		\$51.68	3/3/2024	10,981	\$1,023,446	
	29,284		\$79.20	3/2/2025	5,234	\$487,765	

8,188	\$43.82	3/4/2023	8,429	\$785,560
20,688	\$51.68	3/3/2024	7,320	\$682,265
19,522	\$79.20	3/2/2025	3,489	\$325,209

- (1) *Stock options vest over a period of three years with one-third becoming exercisable on each anniversary of the grant date.*
- (2) *RSUs vest on the third anniversary of the award date. Based on the achievement of certain performance measures, PSUs vest at the end of a three-year plan period.*
- (3) *Share amounts include outstanding RSUs and dividend equivalent units (including fractional shares) attributable to such RSUs. Market value is determined by multiplying the total number of shares or other rights awarded under an equity incentive plan that have not vested times \$93.20, the closing price of a share of our common stock on the NYSE on December 31, 2015.*
- (4) *Share amounts include outstanding PSUs and dividend equivalent units (including fractional shares) attributable to such PSUs. Market value is determined by multiplying the total number of shares or other rights awarded under an equity incentive plan that have not vested times \$93.20, the closing price of a share of our common stock on the NYSE on December 31, 2015.*
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Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

Options Exercised and Stock Vested

The following table sets forth information regarding stock options that were exercised by our NEOs and RSU awards made to our NEOs that have vested during fiscal year 2015.

Options Exercised and Stock Vested

NAME	OPTION AWARDS		STOCK AWARDS	
	NUMBER OF SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED ON EXERCISE (\$)	NUMBER OF SHARES ACQUIRED ON VESTING (#)(1)	VALUE REALIZED ON VESTING (\$)
Larry Young	188,754	\$6,282,141	149,449	\$11,818,919
Martin Ellen	108,134	\$4,783,292	53,189	\$4,196,512
Rodger Collins	94,081	\$4,054,690	35,498	\$2,807,381
James Johnston	44,173	\$1,812,405	35,498	\$2,807,381
Derry Hobson	28,147	\$941,075	23,175	\$1,832,824

(1) *Represents the shares vested on the vesting date. Shares were withheld from issuance to cover taxes.*

Pension Benefits

The following table sets forth information regarding pension benefits accrued by each NEO who participates in our defined benefit plans and supplemental contractual arrangements for 2015.

Pension Benefits

NAME	PLAN NAME	NUMBER OF YEARS OF CREDITED SERVICE (#)(1)	PRESENT VALUE OF ACCUMULATED BENEFIT (\$)(2)	PAYMENTS DURING LAST FISCAL YEAR (\$)
Larry D. Young	Personal Pension Account Plan	2.67	55,896	
	Pension Equalization Plan	2.67	411,920	
James J. Johnston	Personal Pension Account Plan	16.09	446,285	
	Pension Equalization Plan	16.09	546,065	

(1)

Pay and future service credits were frozen as of December 31, 2008 for our personal pension account plan (the "PPA Plan") and our pension equalization plan (the "PEP"). For further information, see "Historical Executive Compensation Information Pension Benefits Personal Pension Account Plan" beginning on page 65 and "Historical Executive Compensation Information Pension Benefits Pension Equalization Plan" on page 66. Each of Mr. Young's and Mr. Johnston's years of service with us prior to the date the PPA Plan and the PEP were frozen is the same as the number of years of credited service under each of the PPA Plan and the PEP.

(2)

The actuarial present value of benefits accumulated under the respective plans is calculated in accordance with the assumptions included in Note 14 "Employee Benefit Plans," to our audited Consolidated Financial Statements, which are included in our 2015 Form 10-K. These amounts assume that each NEO retires at age 65. The discount rate used to determine the present value of accumulated benefits is 4.65%. The present values assume no pre-retirement mortality and utilize the RP2014 healthy white collar male and female tables, with generational projection using Scale MP-2015.

Personal Pension Account Plan ("PPA Plan")

NEOs, other than Mr. Ellen, Mr. Collins and Mr. Hobson, are provided with retirement benefits under the PPA Plan, a tax-qualified defined benefit pension plan covering full-time and part-time employees with at least one year of service who were actively employed (other than employees of a predecessor company) as of December 31, 2006. The PPA Plan was closed to employees who were hired after December 31, 2006. Further, as of December 31, 2008, all future pay and service credits to the PPA Plan have been frozen. However, the PPA Plan does provide a minimum annual interest credit on individual account balances of 5%.

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

Participants fully vest in their retirement benefits after three years of service or upon attaining age 65. Participants are also eligible for early retirement benefits if they separate from service on or after attaining age 55 with 10 years of service. Participants who leave the Company before they are fully vested in their retirement benefit forfeit their accrued benefit under the PPA Plan.

The Code places limitations on compensation and pension benefits for tax-qualified defined benefit plans such as the PPA Plan. We have established a non-qualified supplemental defined benefit pension program (our Pension Equalization Plan), as discussed below, to restore some of the pension benefits limited by the Code.

Pension Equalization Plan ("PEP")

We sponsor the PEP, an unfunded, non-tax qualified excess defined benefit plan covering key employees who were actively employed as of December 31, 2006 and whose base salary exceeded certain statutory limits imposed by the Code. As with the PPA Plan, the PEP was closed to employees who were hired after December 31, 2006 and as of December 31, 2008, all future pay and service credits to the PEP have been frozen. However, the PEP does provide a minimum annual interest credit on individual account balances of 5%.

The purpose of the PEP is to restore to PEP participants any PPA Plan benefits that are limited by statutory restrictions imposed by the Code that are taken into consideration when determining their PPA Plan benefits. Participants fully vest in their benefits under the PEP after three years of service. Participants who voluntarily resign from service before they are vested in their benefits under the PEP forfeit their unvested accrued benefit. Participants who are terminated without "cause" or resign for "good reason" are entitled to have their unvested accrued benefits under the PEP automatically vested.

In addition, pursuant to the terms of the executive employment agreements, if any NEO is terminated without "cause" or resigns for "good reason" and is not vested in his accrued benefit under the PPA Plan, such NEO will be entitled to have his accrued and unvested benefits under the PPA Plan paid under the PEP. As of December 31, 2009, all NEOs (other than Mr. Ellen, Mr. Collins and Mr. Hobson who do not participate in the PPA Plan) have vested in their accrued benefits under the PPA Plan. Since Mr. Ellen, Mr. Collins and Mr. Hobson are not participants in the PPA Plan, they receive no benefits under the PEP.

Deferred Compensation

Savings Incentive Plan

The SIP, a tax-qualified 401(k) defined contribution plan, permits participants to contribute up to 75% of their base salary in the SIP within certain statutory limitations under the Code and we match 100% of the first 4% of base salary, on a per paycheck basis, that is deferred to the SIP by a participant. Employees participating in the SIP are always fully vested in their, as well as our, contributions to the plan. Participants self-direct the investment of their account balances among various mutual funds. In 2015, all of our NEOs participated in the SIP.

Also as part of the SIP, we offer an enhanced defined contribution component (the "EDC") on a tax-qualified basis to the SIP plan account. The EDC provides a contribution equal to 3% of eligible compensation to individual accounts annually. EDC contributions are 100% vested after three years of service with the Company.

Supplemental Savings Plan

The SSP is a nonqualified deferred compensation plan sponsored by the Company for our employees, and is a non-tax qualified defined contribution plan. The SSP is for employees who are actively enrolled in the SIP and whose deferrals under the SIP are limited by Code compensation limitations. Employees may elect to defer up to 75% of their base salary over the Code compensation limit to the SSP, and we

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match 100% of the first 4% of base salary, on a per paycheck basis, that is contributed by these employees. Employees participating in the SSP are always fully vested in their, as well as our, contributions to the plan. Participants self-direct the investment of their account balances among various mutual funds. In 2015, all of our NEOs participated in the SSP.

Table of Contents**HISTORICAL EXECUTIVE COMPENSATION INFORMATION**

Also as part of the SSP, we offer an enhanced defined contribution component (the "Non-qualified EDC") on a non-tax qualified basis to the SSP plan account. The Non-qualified EDC provides a contribution equal to 3% of eligible compensation over statutory pay limits to individual accounts annually. The Non-qualified EDC contributions are 100% vested after three years of service with the Company or prior affiliates.

The SSP also offers our employees the opportunity to defer up to 100% of their annual bonus. Participants will make yearly elections on payout options of bonus deferrals under the plan. Vesting is immediate and the participant has multiple distribution options available during each annual enrollment period. Participants self-direct the investment of their account balances among various mutual funds.

The SSP is unfunded with respect to the Company's obligation to pay any balances in the SSP. A participant's rights to receive any payment from the SSP shall be no greater than the rights of an unsecured general creditor of the Company.

The following table sets forth information regarding the nonqualified deferred compensation under the SSP for each NEO in fiscal year 2015.

Non-Qualified Deferred Compensation

NAME	EXECUTIVE CONTRIBUTIONS IN LAST FISCAL YEAR (\$)(1)	REGISTRANT CONTRIBUTIONS IN LAST FISCAL YEAR (\$)(2)	AGGREGATE EARNINGS IN LAST FISCAL YEAR (\$)(3)	AGGREGATE WITHDRAWALS/ DISTRIBUTIONS AT LAST FISCAL YEAR (\$)	AGGREGATE BALANCE AT LAST FISCAL YEAR END (\$)(4)
Larry Young	\$2,178,672	\$258,831	\$295,234	\$5,562,576	\$4,724,459
Martin Ellen	\$331,680	\$23,961	\$39,075		\$503,663
James J. Johnston	\$322,738	\$87,452	\$93,198		\$1,220,636
Rodger Collins	\$511,368	\$37,769	\$112,102		\$2,764,871
Derry Hobson	\$58,692	\$26,949	\$13,010		\$1,797,805

(1)

Aggregate amount of contributions made by our NEOs to the SSP in fiscal year 2015.

(2) *Aggregate amount of the Company's contributions to the NEOs' accounts under the SSP in fiscal year 2015. The amounts reported in this column are included in executive compensation of the NEO reported in the Summary Compensation Table. For Messrs. Collins and Hobson amounts reported also include earnings (\$3,150 for Mr. Collins and \$284 for Mr. Hobson) under a legacy Cadbury deferred compensation plan, frozen to new entrants and benefit accrual in 2006.*

(3) *Aggregate amount of earnings credited to the NEOs' accounts under the SSP in fiscal year 2015. The amounts reported in this column are not included in executive compensation of the NEO reported in the Summary Compensation Table.*

(4) *The amounts in this column that were reported as executive compensation in the Summary Compensation Table for fiscal years prior to (and not including) 2014 were as follows: \$1,173,216 for Mr. Young; \$98,425 for Mr. Ellen; \$189,659 for Mr. Collins; \$423,388 for Mr. Johnston; and \$140,303 for Mr. Hobson. Mr. Ellen and Mr. Hobson were not NEOs in certain of those prior years and the amounts reflected in this footnote do not reflect any executive compensation that would have been included in the Summary Compensation Table if they had been an NEO in those prior years in which they were not an NEO. For Messrs. Collins and Hobson amounts reported also include balances (\$177,800 for Mr. Collins and \$16,055 for Mr. Hobson) under a legacy Cadbury defined contribution plan, frozen to new entrants and benefit accrual in 2006.*

Not included in the table above are the Non-qualified EDC Contributions funded in February, 2016, which are as follows:

Larry D. Young	\$279,449
Martin M. Ellen	\$29,825
Rodger L. Collins	\$31,870
James J. Johnston	\$96,298
Derry L. Hobson	\$21,736

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

Post-Termination Compensation

Executive Employment Agreements

Mr. Young and Mr. Hobson have executive employment agreements with us, which have been amended from time to time. Each of the executive employment agreements was entered into in October 2007 and has a term of 10 years. Each agreement includes non-competition and non-solicitation provisions, which provide that the executive will not, for a period of one year after termination of employment, (i) become engaged with companies that are in competition with us, including, but not limited to, a predetermined list of companies or (ii) solicit or attempt to entice away any of our employees or customers.

The executive employment agreements of Mr. Young and Mr. Hobson each provide that severance payments occur and salary and benefits continue if termination of employment occurs without "cause" or if the executive leaves for "good reason." Under the executive employment agreements:

(A)

"cause" is defined as termination of the executive's employment for his:

willful failure to substantially perform his duties,

breach of a duty of loyalty toward the Company,

commission of an act of dishonesty toward the Company, theft of our corporate property, or usurpation of our corporate opportunities,

unethical business conduct including any violation of law connected with the executive's employment, or

conviction of any felony involving dishonest or immoral conduct; and

(B)

"good reason" is defined as a resignation by the executive for any of the following reasons:

our failure to perform any of our material obligations under the employment agreement,

a relocation by us of the executive's principal place of employment to a site outside a 50 mile radius of the current site of the principal place of employment, or

the failure by a successor acquirer to assume the employment agreement.

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In the event we terminate Mr. Young's employment "without cause" or he resigns for "good reason" during the employment term, he is entitled to the equivalent of 6.25 times his annual base salary made up as follows:

- (1) continuation payments for up to 15 months equal to his annual base salary and 125% of his target award under the MIP (subject to mitigation for new employment);
- (2) a lump sum salary payment equal to 15 months of his annual base salary; and
- (3) a lump sum cash payment equal to 125% of his target award under the MIP.

In addition, Mr. Young will receive a lump sum cash payment equal to his MIP payment, pro-rated through the employment termination date and based on the actual performance targets achieved for the year in which such termination of employment occurred and payable when such awards are paid under the plan to all employees.

Mr. Young will continue to receive medical, dental and vision benefits until other employment is obtained, but not to exceed the continuation payment period. Mr. Young will also be entitled to receive outplacement services and certain payments under the qualified and non-qualified pension plans. See discussion of pension benefits to be paid under the PPA Plan under "Historical Executive Compensation Information Pension Benefits Personal Pension Account Plan" beginning on page 65 and the PEP under "Historical Executive Compensation Information Pension Benefits Pension Equalization Plan" on page 66.

In the event we terminate Mr. Hobson's employment "without cause" or he resigns for "good reason" during the employment term, he is entitled to the equivalent of 2.625 times base salary made up as follows:

- (1) continuation payments for up to nine months equal to his annual base salary and 75% of his target award under the MIP (subject to mitigation for new employment);
 - (2) a lump sum salary payment equal to nine months of his annual base salary; and
 - (3) a lump sum cash payment equal to 75% of his target award under the MIP.
-

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

In addition, Mr. Hobson will receive a lump sum cash payment equal to his MIP payment, pro-rated through the employment termination date and based on the actual performance targets achieved for the year in which such termination of employment occurred and payable when such awards are paid under the plan to all employees.

Mr. Hobson will continue to receive medical, dental and vision benefits until other employment is obtained, but not to exceed the continuation payment period. Mr. Hobson will also be entitled to receive outplacement services and certain payments under the qualified and non-qualified plans.

Letters of Understanding

The executive employment agreements with Mr. Young and Mr. Hobson were entered into prior to our spin-off from Cadbury. Since becoming an independent company, we have not entered into any new executive employment agreements. When we hire a new executive or a current executive is promoted, the executive will receive an offer letter which we refer to as a "letter of understanding." Mr. Ellen received a letter of understanding outlining the conditions of his employment with us in 2010. When Mr. Collins and Mr. Johnston received promotions in 2008, each received a letter of understanding, which replaced his executive employment agreement with us. The letters of understanding have no term.

In the event Mr. Ellen's, Mr. Collins' or Mr. Johnston's employment is involuntarily terminated, each is entitled to receive severance benefits under our Severance Pay Plan for Salaried Employees ("Severance Pay Plan"), which benefits include:

- (1) Mr. Ellen will receive a lump sum severance payment equal to 4.0 times his annual base salary, while Mr. Collins and Mr. Johnston will receive a lump sum severance payment equal to 3.5 times their annual base salary; and
- (2) a lump sum cash payment equal to their MIP payment, pro-rated through the employment termination date and based on the actual performance targets achieved for the year in which such termination of employment occurred and payable when such awards are paid under the plan to all employees.

Under the Severance Pay Plan, Mr. Johnston is entitled to outplacement services and certain payments under the qualified and non-qualified savings plans and pension plans. See discussion of pension benefits to be paid under the PPA Plan under "Historical Executive Compensation Information Pension Benefits Personal Pension Account Plan" beginning on page 65 and the PEP under "Historical Executive Compensation Information Pension Benefits Pension Equalization Plan" on page 66.

Under the Severance Pay Plan, each of Mr. Ellen and Mr. Collins is entitled to outplacement services and certain payments under the qualified and non-qualified savings plans.

Neither Mr. Ellen, Mr. Collins nor Mr. Johnston would be eligible for severance under the Severance Pay Plan, if he were terminated (i) for cause, (ii) because of inadequate or unsatisfactory performance, (iii) as the result of misconduct (including mismanagement of a position of employment by action or inaction, neglect that jeopardizes the life or property of another, intentional wrongdoing or malfeasance, intentional violation of a law, or violation of a policy or rule adopted to ensure the orderly work and the safety of employees), (iv) for gross neglect in job performance or (v) because his position is eliminated and he refuses to accept another position, with generally comparable base salary and incentive compensation, that is located no more than 50 miles from his former office, or it does not cause a significant detrimental impact to the executives that commute. (These items are hereinafter referred to as "Disqualifying Conditions.")

Mr. Ellen, Mr. Collins and Mr. Johnston have each signed a non-compete agreement, which provides each will not, for a period of one year after termination of employment, (i) become engaged with companies that are in competition with us, including, but not limited to, a predetermined

list of companies or (ii) solicit or attempt to entice away any of our employees or customers.

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

Omnibus Stock Incentive Plan of 2009

The Omnibus Stock Incentive Plan of 2009, and the associated award agreements governing the terms of RSU, PSU and option awards issued under the plan, contain provisions specifying the treatment of unvested awards upon an eligible retirement event. Retirement eligibility is defined as age 65, or age 55 with 10 years of service with the Company. As of December 31, 2015 Messrs. Young, Collins, Johnston and Hobson satisfied the retirement eligibility criteria. Award agreements provide that upon a retirement, eligible participants' unvested awards will be accelerated on a pro-rata basis, determined based on the number of days employed during the vesting period. Awards granted within six months of the retirement event are forfeited.

Per the terms of the award agreements, retirement eligible participants may also choose to provide the Company with a "One Year Irrevocable Notice of Retirement", in which case unvested equity awards would continue to vest per the original vesting schedule. PSUs would be paid out based on the original vesting schedule and actual performance relative to targets. Participants electing this option would not receive regular cycle equity awards during the one year notice period.

Change in Control

The Compensation Committee approved the Change in Control Severance Plan (the "CIC Plan") in February 2009. The CIC Plan generally provides that a payment will be made to a plan participant if there is a change in control of the Company and, within two years after the change in control, the participant's employment is terminated or the participant voluntarily terminates his employment under certain adverse circumstances, including a significant adverse change in responsibilities of his position. At the time the CIC Plan was approved, the Compensation Committee approved the inclusion of six executive officers in the CIC Plan, including four of the NEOs. When Mr. Ellen became Chief Financial Officer in 2010 he was added to the CIC Plan (and the then retiring chief financial officer was removed). Consequently, each of the NEO's is a participant in the CIC Plan. The levels of payments and benefits available upon termination were set as follows:

- (a) Mr. Young, as our CEO, is entitled to a payment equal to 3.0 times the sum of his base salary, plus his target annual bonus (MIP);
- (b) Mr. Ellen, as Chief Financial Officer, is entitled to a payment equal to 2.75 times the sum of his base salary, plus his target annual bonus (MIP);
- (c) Mr. Collins and Mr. Johnston would each be entitled to a payment equal to 2.5 times the sum of their respective base salary, plus their respective target annual bonus (MIP); and
- (d) Mr. Hobson would be entitled to a payment equal to 2.0 times the sum of his base salary, plus his target annual bonus (MIP).

CIC Plan participants, whose parachute payments, as defined under IRC §280G, exceed the excise tax threshold by 10% or less, will have their benefits reduced to eliminate imposition of the tax under the terms of our CIC Plan. CIC Plan participants, whose parachute payments exceed the excise tax threshold by more than 10%, will receive an excise tax gross-up payment under the terms of our CIC Plan.

In addition, plan participants also receive other benefits, including payment of their MIP at target prorated to the date of termination, benefit continuation for the number of years equal to their payment multiplier, payment of unvested and vested qualified and non-qualified pension benefits and outplacement services.

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The Compensation Committee did not include any additional officers in the CIC Plan in 2015 and will not provide excise tax gross-ups to future participants in the CIC Plan.

Tables of Potential Payments and Assumptions

The following tables below outline the potential payments to Mr. Young, Mr. Ellen, Mr. Collins, Mr. Johnston and Mr. Hobson upon the occurrence of various termination events, including "termination without cause" or "for good reason" or "termination due to death or disability" or "retirement" or "retirement with one year notice." Also, the

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

table reflects potential payments related to change-in-control and subsequent qualified termination within a specified window. The following assumptions apply with respect to the tables below and any termination of employment of an NEO:

the tables include estimates of amounts that would have been paid to: (i) Mr. Young and Mr. Hobson assuming a termination event occurred on December 31, 2015 and (ii) Mr. Ellen, Mr. Collins and Mr. Johnston in the event their employment is terminated involuntarily without Disqualifying Conditions on December 31, 2015. The employment of these NEOs did not actually terminate on December 31, 2015, and as a result, the NEOs did not receive any of the amounts shown in the tables below. The actual amounts to be paid to a NEO in connection with a termination event can only be determined at the time of such termination event;

the tables assume that the price of a share of our common stock is \$93.20 per share, the closing market price per share on the NYSE on December 31, 2015;

each NEO is entitled to receive amounts earned during the term of his employment regardless of the manner of termination. These amounts include accrued base salary, accrued vacation time and other employee benefits to which the NEO was entitled on the date of termination, and are not shown in the tables below;

retirement with one year notice scenario is not shown in the table. Under this termination event payments received would be equal to the value of the "Accelerated Equity Payments" upon a CIC related termination;

for purposes of the tables below, the specific definitions of "cause" and "good reason" are defined in the executive employment agreements for Messrs. Young and Hobson and are described in the section entitled "Historical Executive Compensation Information Post-Termination Compensation Executive Employment Agreements" beginning on page 68;

to receive the benefits under the executive employment agreements, Mr. Young and Mr. Hobson are each respectively required to provide a general release of claims against us and our affiliates. The benefits are also subject to mitigation for new employment. In addition, Mr. Young or Mr. Hobson will not receive severance payments under both their executive employment agreement and the Severance Pay Plan; and

the tables are as of December 31, 2015.

NAME	COMPENSATION ELEMENT	RETIREMENT	DEATH	DISABILITY	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON FOLLOWING
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CIC(10)

Larry D. Continuation					
Young Payments	\$	\$	\$	\$3,359,375(1)	\$
Lump Sum Cash					
Payments				1,343,750(2)	8,062,500(3)
Lump Sum Target					
Award MIP					
Payment				2,015,625(4)	
Lump Sum 2015					
MIP Payment		1,612,500(5)	1,612,500(5)	2,420,524(5)	1,612,500
Medical, Dental and					
Vision Benefits					
Continuation				14,121(6)	33,891
Outplacement					
Services				43,600	43,600
Accelerated Equity					
Payments:					
RSUs(7)	8,595,257	12,262,231	8,595,257	8,595,257	12,262,231
PSUs(8)	15,122,190	15,122,190	15,122,190	15,122,190	26,269,687
Options(9)	5,244,552	10,403,280	5,244,552	5,244,552	10,403,280
TOTAL	\$28,961,999	\$39,400,201	\$30,574,499	\$38,158,994	\$58,687,689

*

Footnotes are found at the end of this table, on page 73.

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

NAME	COMPENSATION ELEMENT	RETIREMENT	DEATH	DISABILITY	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON FOLLOWING CIC(10)
Martin Ellen	Continuation Payments Lump Sum Cash Payments Lump Sum Target Award MIP Payment Lump Sum 2015 MIP Payment Medical, Dental and Vision Benefits Continuation Outplacement Services Accelerated Equity Payments: RSUs(7) PSUs(8) Options(9)	\$	\$	\$	\$	\$
					2,330,000(2)	3,043,563(3)
			524,250(5)	524,250(5)	786,952(5)	524,250
						31,067
					7,250	7,250
			2,902,248	2,023,687	2,023,687	2,902,248
			3,551,732	3,551,732	3,551,732	6,228,093
			2,470,740	1,239,351	1,239,351	2,470,740
	TOTAL	\$	\$9,448,970	\$7,339,020	\$9,938,972	\$15,207,211

NAME	COMPENSATION ELEMENT	RETIREMENT	DEATH	DISABILITY	TERMINATION WITHOUT CAUSE OR FOR GOOD	TERMINATION WITHOUT CAUSE OR FOR GOOD
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					REASON	REASON FOLLOWING CIC(10)
Rodger Collins	Continuation Payments	\$	\$	\$		\$
	Lump Sum Cash Payments				2,068,500(2)	2,733,375(3)
	Lump Sum Target Award MIP Payment					
	Lump Sum 2015 MIP Payment		502,350(5)	502,350(5)	812,350(5)	502,350
	Medical, Dental and Vision Benefits					28,243
	Continuation Outplacement Services				7,250	7,250
	Accelerated Equity Payments:					
	RSUs(7)	1,933,762	2,758,906	1,933,762	1,933,762	2,758,906
	PSUs(8)	3,402,449	3,402,449	3,402,449	3,402,449	5,910,447
	Options(9)	1,179,992	2,340,695	1,179,992	1,179,992	2,340,695
	TOTAL	\$6,516,203	\$9,004,400	\$7,018,553	\$9,404,303	\$14,281,266

NAME	COMPENSATION ELEMENT	RETIREMENT	DEATH	DISABILITY	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON FOLLOWING CIC(10)
					REASON	
Jim Johnston	Continuation Payments	\$	\$	\$	\$	\$
	Lump Sum Cash Payments				2,068,500(2)	2,733,375(3)
	Lump Sum Target Award MIP Payment					
	Lump Sum 2015 MIP Payment		502,350(5)	502,350(5)	683,447(5)	502,350
	Medical, Dental and Vision Benefits					28,243
	Continuation				7,250	7,250
						143

Outplacement
Services
Accelerated Equity

Payments:

RSUs(7)	1,933,762	2,758,906	1,933,762	1,933,762	2,758,906
PSUs(8)	3,402,449	3,402,449	3,402,449	3,402,449	5,910,447
Options(9)	1,179,992	2,340,695	1,179,992	1,179,992	2,340,695
TOTAL	\$6,516,203	\$9,004,400	\$7,018,553	\$9,275,400	\$14,281,266

*

Footnotes are found at the end of this table, on page 73.

Table of Contents

HISTORICAL EXECUTIVE COMPENSATION INFORMATION

NAME	COMPENSATION ELEMENT	RETIREMENT	DEATH	DISABILITY	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON	TERMINATION WITHOUT CAUSE OR FOR GOOD REASON FOLLOWING CIC(10)
Derry Hobson	Continuation Payments	\$	\$	\$	\$658,219(1)	\$
	Lump Sum Cash Payments				376,125(2)	1,755,250(3)
	Lump Sum Target Award MIP Payment				282,094(4)	
	Lump Sum 2015 MIP Payment		376,125(5)	376,125(5)	564,601(5)	376,125
	Medical, Dental and Vision Benefits					
	Continuation Outplacement Services				8,473(6)	22,594
	Accelerated Equity Payments:				9,950	9,950
	RSUs(7)	1,245,630	1,792,982	1,245,630	1,245,630	1,792,982
	PSUs(8)	2,175,942	2,175,942	2,175,942	2,175,942	3,847,729
	Options(9)	766,943	1,536,597	766,943	766,943	1,536,597
	TOTAL	\$4,188,515	\$5,881,646	\$4,564,640	\$6,087,977	\$9,341,227

(1)

The amounts shown represent salary continuation for Mr. Young in an amount equal to (a) 15 months of his annual base salary and (b) 125% of his target award under the MIP; and for Mr. Hobson in an amount equal to (x) 9 months of his of annual base salary and (y) 75% of his target award under the MIP, in each case, according to the terms of their respective executive employment agreements.

- (2) *The amounts shown represent lump sum cash payments equal (a) 15 months of his annual base salary for Mr. Young and 9 months of his annual base salary for Mr. Hobson under their executive employment agreements and (b) 400%, 350% and 350% of the annual base salary for each of Mr. Ellen, Mr. Collins and Mr. Johnston, respectively, under the Company's Severance Pay Plan.*
- (3) *The amounts shown represent the lump sum cash payments equal to (i) 300%, 275%, 250%, 250% and 200% of the sum of the annual base salary and target award under the MIP for Mr. Young, Mr. Ellen, Mr. Collins, Mr. Johnston, and Mr. Hobson, respectively.*
- (4) *The amounts shown represent lump sum payments under the MIP equal to 125% of the target award for Mr. Young, and 75% of the target award for Mr. Hobson under their respective executive employment agreements.*
- (5) *The amounts shown under the "Death" and "Disability" columns represent each NEO's target award under the MIP, pro-rated through the assumed employment termination date. The amounts shown under the "Termination Without Cause or for Good Reason" column represents lump sum cash payments equal to each NEO's 2015 MIP payment, pro-rated through the assumed employment termination date and based on the actual performance targets achieved for the year in which such assumed termination of employment occurred. The amounts are paid to Messrs. Young and Hobson under their executive employment agreements and to Messrs. Ellen, Collins and Johnston under the Company's Severance Pay Plan.*
- (6) *The amounts shown represent the combined cash value of benefits continuation over the salary continuation period under the executive employment agreements of Mr. Young and Mr. Hobson.*
- (7) *The amounts shown represent the value of unvested RSU awards and dividend equivalent units under the Omnibus Stock Incentive Plan of 2009 that vest under the occurrence of the specific event.*
- (8) *The amounts shown represent the value of unvested PSU awards and dividend equivalent units under the Omnibus Stock Incentive Plan of 2009 that vest under the occurrence of the specific event. The PSU awards are paid out in full (no pro-ration) upon termination without cause or for good reason following CIC and death. Upon termination without cause or for good reason (non-CIC related), disability, and retirement (only Messrs. Young, Collins, Johnston, Hobson satisfied the retirement eligibility criteria of 55 years of age and 10 years of service, or 65 years of age) unvested PSUs are pro-rated for the length of service during the three year performance cycle. Performance assumption for the 2013-2015 PSU cycle was actual performance through cycle end for all termination scenarios. 2014-2016 and 2015-2017 PSU cycle performance assumptions were actual performance through CIC date upon termination without cause or for good reason following CIC, all other termination scenarios assumed target performance for these PSU cycles.*
- (9) *The amounts shown represent the value of the unvested stock options under the Omnibus Stock Incentive Plan of 2009 that vest under the occurrence of the specific event.*
- (10)

Participants whose parachute payments, as defined under IRC §280G, exceed the excise tax threshold by 10% or less, would have their benefits reduced to eliminate imposition of the tax under the terms of our CIC Plan. Participants whose parachute payments exceed the excise tax threshold by more than 10% would receive an excise tax gross-up payment under the terms of our CIC Plan. Under the assumption outlined above, CIC payments to our NEOs would not have exceeded the excise tax threshold limit, therefore no gross-ups or reductions are shown.

Table of Contents

COMPENSATION
COMMITTEE
INTERLOCKS

Through February 28, 2015 Ms. Szostak (Chairperson), Ms. Roché and Mr. Rogers served on the Compensation Committee. Commencing on March 1, 2015 Ms. Szostak (Chairperson), Ms. Shive, and Ms. Roché served on the Compensation Committee. No person who was a member of the Compensation Committee during any part of 2015 was an officer or employee of ours or any of our subsidiaries. None of our executive officers served on the board of directors or on the compensation committee of any other entity, for which any officers of such other entity served either on our Board or on our Compensation Committee.

Table of ContentsSECURITIES AUTHORIZED
FOR ISSUANCE UNDER
EQUITY COMPENSATION
PLANS**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY
COMPENSATION PLANS**

The following table summarizes certain information related to our equity award plans as of December 31, 2015.

Equity Compensation Plan Information

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	WEIGHTED AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN INITIAL COLUMN)(2)
Equity Compensation Plans approved by stockholders Omnibus Stock Incentive Plan of 2009(1)	3,273,616	\$22.18	11,253,475

Note: The Company has no Equity Compensation Plans not approved by stockholders.

(1)

Net of cancellations, 4,240,873 RSUs, 736,214 PSUs and 3,769,438 options that have been granted under the Omnibus Stock Incentive Plan of 2009. The options have a weighted average exercise price of \$58.98 and weighted average remaining contractual term of 8.24 years. RSUs and PSUs have no exercise price, thus reducing the weighted average exercise price presented above.

(2)

Represents awards authorized for future grants under the Omnibus Stock Incentive Plan of 2009.

Table of Contents

PROPOSAL 4 APPROVE AN AMENDMENT TO THE AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

The Board has determined that it is in the best interests of the Company and its stockholders to amend our Amended and Restated Certificate of Incorporation. In a recent ruling, the Delaware Chancery Court, in a proceeding not involving the Company, interpreted Section 141(k) of the Delaware General Corporation Law ("DGCL"). The Board is proposing to amend the Amended and Restated Certificate of Incorporation to be consistent with the interpretation of Section 141(k) of the DGCL as set forth in that ruling.

Proposed Amendments

The proposed amendments to the Company's Amended and Restated Certificate of Incorporation are as follows:

amend Article NINTH, paragraph (f) to provide that directors may be removed in a manner consistent with Section 141(k) of the DGCL;

amend Article TWELFTH to remove references to Article III, Section 9 of the By-Laws; and

amend Article THIRTEENTH to provide that it shall not apply to Article NINTH, paragraph (f).

The above description is qualified in its entirety by the actual text of the proposed amendments to the Company's Amended and Restated Certificate of Incorporation set forth in Annex II to this Proxy Statement.

Stockholder Approval Required

The affirmative vote of not less than two-thirds ($\frac{2}{3}$ rds) of the voting power of all outstanding shares of our common stock entitled to vote is required to approve the proposed amendments.

Legal Effectiveness of Proposed Amendments

If the Company's stockholders approve the proposed amendments, changes to the Company's Amended and Restated Certificate of Incorporation will become legally effective upon the Company filing a certificate of amendment with the Delaware Secretary of State, which the Company intends to file shortly after the Annual Meeting. The Board has approved conforming changes to the Company's By-Laws to effect the proposed amendments.

THE BOARD RECOMMENDS A VOTE "FOR" THE AMENDMENTS TO THE COMPANY'S AMENDED AND RESTATED CERTIFICATE OF INCORPORATION.

Table of Contents

PROPOSAL 5 STOCKHOLDER PROPOSAL

The following stockholder proposal will be voted on at the Annual Meeting only if it is properly presented by or on behalf of the stockholder proponent.

On behalf of Samajak, a California LP, 67 Second Street, East, Sonoma, CA 95476, which owns 65 shares of the Company's common stock, As You Sow, 1611 Telegraph Avenue, Suite 1450, Oakland, CA 94612 has notified the Company that it intends to present the following proposal and related supporting statement (which is quoted verbatim below) at the Annual Meeting:

Stockholder Proposal Regarding Comprehensive Recycling Strategy For Beverage Containers

WHEREAS: Dr.[sic] Pepper Snapple Group is the third largest soft drink business in the U.S. with a commitment to environmental leadership, yet has no recycled content or container recovery strategy for the containers its beverages are sold in.

Society has been inundated with recyclable materials that are not recycled. 63% of the 243 billion beverage containers generated annually in the U.S. are discarded in landfills, incinerated or littered, and thereby diverted from recycling streams. This value of these wasted containers between 2001 and 2010 exceeded \$22 billion. Yet the U.S. recycling rate for beverage containers declined from 54 percent in 1992 to 36 percent in 2010, while sales continued to grow (*Container Recycling Institute*).

The failure of the beverage industry to recycle nearly two-thirds of its containers has enormous environmental impacts. Replacement production for wasted containers resulted in emissions of an additional 116 million tons of greenhouse gases over the last decade, equivalent to the annual carbon dioxide emissions from 23 million cars. The aluminum cans littered in the U.S. alone in the past decade could have reproduced the world's entire commercial air fleet 25 times over.

Significantly higher container recovery rates are possible. In 10 U.S. states with container deposit legislation, beverage container recycling rates of 70% and higher are being achieved, levels on average three times as high as in states without deposit laws. In Norway and Sweden, beverage companies have achieved container recovery rates of 80% and higher.

"At Dr Pepper Snapple Group, we understand that an investment in sustainability is an investment in our business," CEO Larry Young started [sic] in the company's 2011 Corporate Social Responsibility Update. Yet unlike its peers, our company has set no public quantitative goals for container recovery or use of recycled content in its bottles and cans.

As a result of engagement with As You Sow and other stakeholders, three of the largest U.S. beverage companies established container recovery goals. Coca-Cola Co. agreed to recycle 50% of its plastic and glass bottles and aluminum cans by 2015. Nestle Waters North America agreed to an industry recycling goal of 60% of plastic bottles by 2018, and PepsiCo set an industry recycling goal for 50% for bottles and cans by 2018. Dr.[sic] Pepper Snapple is clearly not keeping up with its peers.

Table of Contents

PROPOSAL 5 STOCKHOLDER PROPOSAL

RESOLVED THAT Shareowners of Dr.[sic] Pepper Snapple Group request that the board of directors adopt a comprehensive recycling strategy for beverage containers sold by the company and prepare a report by September 1, 2016 on the company's efforts to implement the strategy. The strategy should include aggressive quantitative recycled content goals, and container recovery goals for plastic, glass and metal containers. The report, to be prepared at reasonable cost, may omit confidential information.

SUPPORTING STATEMENT

We believe the requested report is in the best interest of Dr.[sic] Pepper Snapple and its shareholders. Leadership in this area will protect our iconic brands and strengthen the company's reputation.

THE COMPANY'S BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE AGAINST THIS PROPOSAL FOR THE FOLLOWING REASONS:

Our environmental impact is a key consideration in our operations. Within a short period of time after our spin-off, we established clear, measurable environmental goals for 2015. Following the completion of our five-year goals, we have evaluated our performance, with results communicated in our 2015 Corporate Social Responsibility ("CSR") Report. As we continue to map the road ahead, the Company is launching and expanding programs that will substantially meet the goals of this proposal. In 2016, we laid a cornerstone for our sustainability work by publishing a beverage container recovery goal: "We are committed to working with industry, government and community partners to achieve a U.S. beverage container recycling rate of 60 percent by 2030."

This goal was developed in consultation with third-party environmental experts and benchmarked against the reported results of other companies' published goals. We further drew on publications outlining the challenges currently faced by the recycling market and rate projections into the future to form our rationale. In view of the fact that the American Beverage Association (ABA) has advised us that beverage container rates have remained at or slightly below 40% since 2010, we believe this goal will be challenging, but achievable, and will meaningfully guide our work on recycling for years to come.

Indeed, we have already entered into key partnerships that support consumers and communities in their recycling efforts while eliminating systemic obstacles leading to lower recovery rates:

The Closed Loop Fund: Beginning in 2016, the Company has committed \$500,000 annually for ten years to The Closed Loop Fund, a social impact fund investing to increase the recycling of products and packaging. Inaugural program investments were announced in 2015, including projects focused on infrastructure and plastics recycling.

Keep America Beautiful: In 2013 we entered into a partnership with Keep America Beautiful (KAB). Through this effort, we provided \$300,000 annually through 2015 to support and promote consumer recycling by deploying bins in public parks, giving local consumers greater access to local recycling systems. In 2016, we're bolstering our commitment by entering into a three-year, \$1 million partnership with KAB to further expand access and support research into increasing recovery rates.

These programs take our sustainability journey forward in support of our new recovery goal, though we are proud of the progress we have made to date in other areas. Each year since 2010, we have released a CSR Report or Update, providing detailed metrics of our progress on our sustainability goals. The Reports and Updates may be found at www.dpsgsustainability.com. Notable accomplishments related to packaging and waste reduction include:

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PET Reduction: We've reduced plastic waste. Through reduced package weights and redesigns, we have reduced plastic waste by approximately 76.6 million pounds through the end of 2014, surpassing our goal to reduce plastic waste by 60 million pounds by 2015.

Packaging and Waste Recyclability: We've ensured our plastic bottles (including the caps), cans and paperboard wraps are 100% recyclable, enabling consumers and municipalities to recycle. In 2014, we recycled more than 86% of our manufacturing solid waste, a 4% increase since 2012, nearly achieving our 2015 goal of 90%.

Table of Contents

PROPOSAL 5 STOCKHOLDER PROPOSAL

Post-consumer Recycled Material: The handles of our Hawaiian Punch gallon bottles and double-packs of some Mott's and Clamato flavors are now made of 100 percent post-consumer recycled (PCR) material. We are constantly evaluating the use of PCR in various applications and will continue to look for opportunities to expand our work in this area.

Despite our conscientious programs, goals and achievements, this proposal requests that we adopt a different comprehensive recycling strategy on an expedited basis. It further requests that the recycling program have container recovery strategies and goals for our particular products, ignoring the reality that improving recycling rates requires broad-based programs covering the entire waste stream as well as participation from consumers and the municipalities in which they live.

The proposal attempts to compare us to companies that have substantially more resources and have operated as public companies for a greater number of years. These much larger companies have themselves acknowledged the challenges and complexities of their recycling programs, including issues from data collection to changing consumer behaviors. Implementation of this proposal will not further our environmental or recycling goals in any meaningful respect and may prevent us from making strategic decisions that will both serve the needs of the business and improve recycling rates in the communities in which we operate.

We remain committed to striving for innovative ways to minimize the environmental impacts of our products as we work with the industry to pursue shared solutions with communities, customers and consumers.

In discussing this proposal with the proponent, As You Sow has indicated that they wish to see a goal set for a shorter time period to incentivize the Company to accomplish the goals. As You Sow has apparently not given sufficient consideration to the recent history of recycling rates, the complexities involved, and the lack of success by other companies in progressing toward achievement of the goals they have set. They have persisted in pursuing this proposal in spite of the goal announced by the Company and the programs in which the Company is participating. However, the Company has taken the actions it considers prudent in substantially implementing this proposal.

FOR THESE REASONS, THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE "AGAINST" PROPOSAL NUMBER 5.

Table of Contents

POLITICAL CONTRIBUTIONS

Our Corporate Governance and Nominating Committee has oversight responsibility for our political activities, including our Political Action Committee. Our Political Contributions Policy sets forth basic principles that, together with our Code of Conduct, guide our approach to corporate political contributions. We disclose on our website our approach for political contributions and a summary of direct corporate contributions and those of our Political Action Committee, including contributions to industry associations and federal, state and local parties and candidates. This disclosure is available on our website at www.drpeppersnapplegroup.com under the Our Company Downloads (at bottom of page) Public Policy (contains links to contributions and our Political Contributions Policy).

Table of Contents

RELATED PERSON TRANSACTIONS

The Company has adopted a Related Person Transactions Policy which governs any transaction or proposed transaction involving any of our directors, nominees for director, or executive officers of the Company (or any immediate family members of the foregoing) and in which the Company was or is to be a participant and in which the amount involved exceeds \$120,000. Under this Related Person Transactions Policy, the related person is to notify the General Counsel of the details of the transaction and the Board will review those transactions involving a director or director nominee and the Audit Committee will review those transactions involving executive officers. The Board or Audit Committee, as applicable will approve only those transactions that are in, or are not inconsistent with, the best interests of the Company and its stockholders, as the Board or Audit Committee, as applicable, determines in good faith. As was reported last year, the brother of James Trebilcock, one of our executive officers, owns a twenty percent (20%) equity interest in an entity from which the Company leases property in Lenexa, Kansas. Mr. Trebilcock has no interest in the entity leasing the property to the Company. Mr. Trebilcock's brother's interest in the rent paid in fiscal year 2015 does not exceed \$120,000. The Audit Committee considered the related party transaction and ratified and approved the transaction. Subsequent to Audit Committee approval, the entity in which Mr. Trebilcock's brother owns an interest, sold the Lenexa, Kansas property to an unrelated third party. There were no other related party transactions considered by the Board or Audit Committee in 2015. In addition, our Code of Conduct governs the actions of our directors and employees, including conflicts of interest. See "Code of Conduct" on page 18.

Table of Contents

DELIVERY OF PROXY
MATERIALS TO
HOUSEHOLDS WITH
MULTIPLE STOCKHOLDERS

If you have consented to the delivery of only one Notice, 2015 Form 10-K or set of proxy materials, as applicable, to multiple Dr Pepper Snapple Group, Inc. stockholders who share your address, then only one Notice, 2015 Form 10-K or set of proxy materials, as applicable, is being delivered to your household unless we have received contrary instructions from one or more of the stockholders sharing your address. We will deliver promptly upon oral or written request a separate copy of the Notice, 2015 Form 10-K or set of proxy materials, as applicable, to any stockholder at your address. If, now or in the future, you wish to receive a separate copy of the Notice, 2015 Form 10-K or set of proxy materials, as applicable, you may call us at (972) 673-7000 (please ask for Investor Relations) or write to us at Dr Pepper Snapple Group, Inc., Attn: Investor Relations, 5301 Legacy Drive, Plano, Texas 75024. Stockholders sharing an address who now receive multiple copies of the Notice, 2015 Form 10-K or set of proxy materials, as applicable, may request delivery of a single copy by calling us at the above number or writing to us at the above address.

Table of Contents

STOCKHOLDER
PROPOSALS FOR
2016 ANNUAL MEETING

We currently expect to hold our annual meeting after the year ending December 31, 2016 ("2016 Annual Meeting") on or around May 18, 2017, and mail the Proxy Statement for that meeting in March 2017, subject to any changes we may make. If any of our stockholders intends to present a proposal for consideration at the 2016 Annual Meeting, including the nomination of directors, without inclusion of such proposal in the proxy statement and form of proxy, such stockholder must provide notice to us of such proposal.

Pursuant to Rule 14a-8 of the Exchange Act, stockholder proposals will need to be received by us not later than December 1, 2016, in order to be eligible for inclusion in the proxy statement and form of proxy distributed by the Board with respect to the 2016 Annual Meeting. With respect to any notice of a proposal that a stockholder intends to present for consideration at the 2016 Annual Meeting, without inclusion of such proposal in the proxy statement and form of proxy, in accordance with Article II, Section 6(c) or 7(b) of our By-Laws, as applicable, stockholder proposals will need to be received by us not sooner than January 19, 2017, but not later than February 18, 2017, in order to be presented at the 2016 Annual Meeting. Stockholder proposals must be sent to our principal executive offices, 5301 Legacy Drive, Plano, Texas 75024, Attention: James L. Baldwin, Corporate Secretary.

By Order of the Board of Directors

James L. Baldwin
Corporate Secretary

March 28, 2016

Table of Contents

ANNEX I

MIP CORE EARNINGS RECONCILIATION TO GAAP FINANCIALS

(in millions)	INCOME FROM OPERATIONS	SOP- BEVERAGE CONCENTRATES AND LATIN AMERICA BEVERAGES	SOP- PACKAGED BEVERAGES
As Reported:	\$1,298	\$895	\$709
Mark to Market(a)	5		
Litigation Provision(b)	2		2
Brand Impairment(c)	7		
Net Reallocation of SOP Between Packaged Beverages and Beverage Concentrates(d)		50	(50)
Results	\$1,312	\$945	\$661

(a) *Unrealized mark-to-market impact of commodity derivatives.*

(b)

Adjustment to a previously disclosed legal provision.

(c)

Non-cash brand impairment charge for Garden Cocktail.

(d)

The MIP of certain persons in the Business Concentrates segment and Packaged Beverages segment are in part based on financial metrics of certain elements of the other segment. For purposes of reconciling the "as reported" SOP to the SOP used in calculating the MIP, a reallocation of SOP is necessary to account for these certain elements.

DEFINITION OF TERMS FOR INTERNAL RETURN PSU CALCULATION

FINANCIAL TERM

DEFINITION FOR PSU PROGRAM

**Net Income,
Cash
Flow from
Operations,
Capital
Expenditures**

Net income (reflected as "Net Income"), Cash Flow from Operations (reflected as "Net Cash provided by operating activities") and Capital Expenditures (reflected as "Purchase of property, plant and equipment") will be reported in the Company's Form 10-K (in the captions reflected in parenthesis above) for the applicable year. Net Income is adjusted for the unrealized mark-to-market impact of commodity derivatives and certain items that are excluded for comparison to prior year periods as indicated in the Company's earnings release for the applicable fiscal year to arrive at Core Earnings. For purposes of the internal return PSU calculation, Core Earnings is further adjusted to remove the revenue amortization related to the license transactions with PepsiCo, Inc. in 2009 and with The Coca-Cola Company in 2010, and the associated tax expense.

P/E

P/E will be determined by dividing (i) the Average Closing Market Price (as hereafter defined) by (ii) the Diluted Earnings per share, ex-items, for the calendar year ended on December 31, 2012 as indicated in the Company's earnings release for that calendar year. The resulting number will be the P/E to be used in the determination of the Cash Flow Yield for the Plan Period.

**Average
Closing
Market Price**

The Average Closing Market Price shall be calculated by dividing (i) the closing market price of the Company's common stock on the NYSE on the 15th day of each calendar month of the calendar year immediately preceding the first Plan Year (or if the 15th day of the calendar month is not a day on which the NYSE is open for trading, then the closing market price on the first day after the 15th day of the month that the NYSE is open for trading) by (ii) twelve (12).

Table of Contents

ANNEX II

DR PEPPER SNAPPLE GROUP, INC.
Proposed Amendments to the Amended and Restated Certificate of Incorporation

NINTH

(f) *Removal.* Subject to the rights of the holders of any series of Preferred Stock then outstanding, any director or the entire board of directors may be removed, with or without cause, ~~only for cause and only~~ by the affirmative vote of a majority of the votes which all the stockholders would be entitled to cast in any annual election of directors or class of directors at a special meeting of stockholders called in accordance with this Certificate of Incorporation and the By-Laws expressly for that purpose; provided that, any director may be removed from office by the affirmative vote of a majority of the Board, at any time prior to the expiration of their term of office, as provided by applicable law, in the event a director is in breach of any agreement between such director and the Corporation relating to such director's service as a director or employee of the Corporation.

TWELFTH

Amendment of By-Laws. The Board shall have, and is hereby expressly granted, the power to adopt, amend or repeal the By-Laws at any valid meeting of the Board by the affirmative vote of a majority of the whole Board. The By-Laws may also be altered, amended or repealed at any annual meeting of stockholders, or at any special meeting of the holders of shares of stock entitled to vote thereon called for that purpose, by the affirmative vote of not less than a majority of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote thereon; provided however, that with respect to Sections 2, 6, 7 and 11 of Article II, Sections 2, 3, 4, 8, ~~9~~ and 11 of Article III and Article VIII of the By-Laws, such provisions may only be altered, amended or repealed at any annual meeting of stockholders, or at any special meeting of the holders of shares of stock entitled to vote thereon called for that purpose, by an affirmative vote of not less than two-thirds of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote thereon.

THIRTEENTH

Amendment of Certification of Incorporation. The Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by law, and all rights, preferences and privileges conferred upon stockholders, directors or any other persons herein are granted subject to this reservation. In addition to any affirmative vote required by law and/or provided to the holders of any series of Preferred Stock then outstanding, if any, with respect to Articles Seventh, Eighth, Ninth (other than Section (f)), Tenth, Eleventh, Twelfth and this Thirteenth, such provisions may only be altered, amended or repealed at any annual meeting of stockholders, or at any special meeting of the stockholders called for that purpose, by an affirmative vote of not less than two-thirds of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote thereon, voting as a single class.

