

Keurig Dr Pepper Inc.
Form PRE 14A
April 15, 2019

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 Pursuant to §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) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(3) Filing party:

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YOUR VOTE IS VERY IMPORTANT

PRELIMINARY PROXY STATEMENT—SUBJECT TO COMPLETION

[], 2019

Dear Fellow Stockholder:

Our company has undergone an exciting and significant business transformation over the last year following the July 2018 merger between Dr Pepper Snapple Group, Inc. and Keurig Green Mountain, Inc., forming Keurig Dr Pepper Inc. (“KDP”, which combined with its consolidated subsidiaries is referred to as the “Company”), a leading beverage company in North America, with a diverse portfolio of flavored (non-cola) carbonated soft drinks, specialty coffee and non-carbonated beverages, and the #1 single serve coffee brewing system in North America. KDP has some of the most recognized beverage brands in North America, with significant consumer awareness levels and long histories that evoke strong emotional connections with consumers. We have a highly competitive distribution system that enables our portfolio of more than 125 owned, licensed and partner brands to be available nearly everywhere people shop and consume beverages. We are proud of the progress we have made toward achieving our goal of creating a new challenger in the beverage industry since the closing of the merger, and are excited about the future opportunities for our combined company.

We are pleased to invite you to attend the first annual meeting of stockholders as a newly combined company. The annual meeting of stockholders of Keurig Dr Pepper Inc., a Delaware corporation, will take place online on June 7, 2019, at 11:00 a.m., Eastern Daylight Time. This year’s annual meeting will be online and a virtual meeting of stockholders to enable stockholder participation while saving the Company’s and the investors’ time and money and reducing our environmental impact. You may attend, vote, and submit questions during the annual meeting via the Internet at www.virtualshareholdermeeting.com/KDP2019.

Details regarding how to attend the meeting online and the business to be conducted at the annual meeting are more fully described in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the virtual annual meeting, we hope you will vote as soon as possible.

On behalf of our Board of Directors, thank you for your ongoing support of KDP.

Sincerely,

Robert J. Gamgort

Executive Chairman of the Board, President and Chief Executive Officer

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS AND PROXY STATEMENT

Date and Time: Friday, June 7, 2019 at 11:00 a.m. Eastern Daylight Time

Location: Virtually at www.virtualshareholdermeeting.com/KDP2019

Record Date: April 10, 2019

Distribution Date: A Notice of Internet Availability of Proxy Materials or the Proxy Statement is first being sent to stockholders on or about [], 2019.

Notice is hereby given that the virtual annual meeting of stockholders of Keurig Dr Pepper Inc., a Delaware corporation, referred to as KDP, will be held on June 7, 2019, at 11:00 a.m., Eastern Daylight Time. This means that you can attend the annual meeting online, vote your shares electronically and submit questions during the online meeting by visiting www.virtualshareholdermeeting.com/KDP2019. Stockholders will be able to listen, vote and submit questions from their home or from any remote location that has Internet connectivity. There will be no physical location for stockholders to attend.

ITEMS OF BUSINESS:

1. To vote on a proposal to elect a board of twelve members to hold office for a one-year term and until their respective successors shall have been duly elected and qualified, referred to as the election proposal;
2. To vote on a proposal to ratify the appointment of Deloitte & Touche LLP (“Deloitte”) as KDP’s independent registered public accounting firm for fiscal year 2019, referred to as the ratification proposal;
3. To vote on a proposal to approve an advisory resolution regarding KDP’s executive compensation, referred to as the 2018 compensation proposal;
4. To vote on a proposal to approve and adopt the 2019 Omnibus Incentive Plan, including the reservation of an additional 25,000,000 shares available for issuance thereunder, referred to as the 2019 Omnibus Incentive Plan proposal; and
5. To transact such other business as may properly come before the annual meeting or any adjournment thereof.

Your proxy is being solicited by our Board of Directors. **OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE “FOR” EACH OF THE DIRECTOR NOMINEES LISTED IN THE ELECTION PROPOSAL, “FOR” THE RATIFICATION PROPOSAL, “FOR” THE 2018 COMPENSATION PROPOSAL, AND “FOR” THE 2019 OMNIBUS INCENTIVE PLAN.**

Our Board of Directors has fixed the close of business on April 10, 2019 as the record date for determination of KDP stockholders entitled to receive notice of, and to vote at, the annual meeting of KDP stockholders or any adjournments or postponements thereof. Only holders of record of our common stock at the close of business on the record date for the annual meeting are entitled to receive notice of, and to vote at, the annual meeting. Approval of the election of each director nominee, the ratification proposal, the 2018 compensation proposal, and the 2019 Omnibus Incentive Plan proposal requires 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. For each proposal to be approved, or in the case of the election proposal, for each director nominee to be approved, votes cast “FOR” each proposal or nominee, as applicable, must exceed votes cast “AGAINST” such proposal or nominee, as applicable. For each proposal a failure to vote, a broker non-vote or an abstention will not be counted as having been voted on the applicable proposal, and therefore will have no effect on the vote, assuming a quorum is present.

Your vote is very important. To ensure your representation at the annual meeting of our stockholders, please complete and return the enclosed proxy card or submit your vote through the Internet or telephonically. Whether or not you plan to attend the meeting, we urge you to vote. Registered stockholders may vote (i) via the Internet, (ii) by telephone, or (iii) by returning a properly executed proxy card. If your shares are held in the name of a bank, broker or other nominee, follow the instructions you receive from your nominee on how to vote your shares.

James L. Baldwin

Corporate Secretary

WHETHER OR NOT YOU PLAN TO VIRTUALLY ATTEND THE ANNUAL MEETING, YOU MAY VOTE AND SUBMIT YOUR PROXY. YOU MAY SUBMIT YOUR PROXY ELECTRONICALLY, BY TELEPHONE OR BY REQUESTING A PRINTED COPY OF THE PROXY MATERIALS AND COMPLETING AND RETURNING BY MAIL THE PROXY CARD YOU WILL RECEIVE IN RESPONSE TO YOUR REQUEST. IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING TO BE HELD ON JUNE 7, 2019: The Company's Proxy Statement for the annual meeting and the Annual Report on Form 10-K for the year ended December 31, 2018 are available at www.proxyvote.com and entering your control number.

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

The following questions and answers are intended to briefly address some commonly asked questions regarding the annual meeting. These questions and answers may not address all questions that may be important to you as our stockholder. Please refer to the more detailed information contained elsewhere in this Proxy Statement, the annex to this Proxy Statement and the information incorporated by reference into this Proxy Statement, which you should read carefully and in their entirety. You may obtain the information incorporated by reference into this Proxy Statement without charge by following the instructions in the Notice of Annual Meeting of Stockholders.

Q: Why am I receiving this Proxy Statement and proxy card?

A: We are holding the annual meeting of our stockholders to ask our stockholders to consider and vote upon (i) the election proposal, (ii) the ratification proposal, (iii) the 2018 compensation proposal, and (iv) the 2019 Omnibus Incentive Plan proposal.

This Proxy Statement is being delivered to you by mail as our stockholder of record, as of the record date for the annual meeting, in connection with the solicitation by the Board of Directors (the "Board") of proxies to be voted at the annual meeting. As a stockholder of record on the record date for the annual meeting, you are invited to attend the virtual annual meeting and are entitled to and are requested to vote on the items of business described in this Proxy Statement.

Q: What items of business will be voted on at the annual meeting?

A: The items of business scheduled for the annual meeting are:

Proposal 1: A vote on each of the director nominees listed in the election proposal.

Proposal 2: The ratification proposal.

Proposal 3: A non-binding advisory vote on the 2018 compensation proposal.

Proposal 4: The 2019 Omnibus Incentive Plan proposal.

We also will consider any other business that properly comes before the annual meeting.

Q: How does the Board recommend that I vote?

A: The Board unanimously recommends a vote:

1. FOR each of the director nominees listed in the election proposal;
2. FOR the ratification proposal;
3. FOR the 2018 compensation proposal; and
4. FOR the 2019 Omnibus Incentive Plan proposal.

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

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

Proposal 1. The election of each director nominee requires 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. Approval of the ratification proposal requires 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" the ratification proposal must exceed the number of votes cast "AGAINST" the ratification proposal).

Proposal 3. Approval of the 2018 compensation proposal (on a non-binding advisory basis) requires 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" the 2018 compensation proposal must exceed the number of votes cast "AGAINST" the 2018 compensation proposal).

Proposal 4. Approval of the 2019 Omnibus Incentive Plan proposal requires 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" the 2019 Omnibus Incentive Plan proposal must exceed the number of votes cast "AGAINST" the 2019 Omnibus Incentive Plan proposal).

Q: What shares can I vote at the annual meeting?

The Board has fixed the close of business on April 10, 2019, as the record date for the annual meeting. Only A: holders of record of the outstanding shares of our common stock at the close of business on the record date for the annual meeting are entitled to vote at the annual meeting or any adjournments thereof.

As of the close of business on the record date for the annual meeting, we had 1,407,315,543 shares of common stock, par value \$0.01 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.

Q: 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 A: 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 as present at the annual meeting 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 proposal), Proposal 3 (the 2018 compensation proposal), or Proposal 4 (the 2019 Omnibus Incentive Plan proposal), the broker, trustee or other nominee may not exercise discretion to vote for or 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 and therefore will have no effect on the vote, assuming a quorum is present. Please instruct your broker, trustee or other nominee so your vote can be counted. With respect to Proposal 2 (the ratification proposal), the broker, trustee or other nominee may exercise its discretion to vote for or against that proposal in the absence of your instruction.

Q: How can I vote my shares at the annual meeting?

Although we encourage you to complete and return a proxy prior to the annual meeting to ensure that your vote is counted, you can virtually attend the annual meeting and vote your shares online by visiting www.virtualshareholdermeeting.com/KDP2019. You will need your control number included on your Notice of A: Internet Availability of Proxy Materials (the "Notice") or proxy card (if you receive a printed copy of the proxy materials) in order to be able to vote during the annual meeting. If you vote by proxy prior to the annual meeting and also virtually attend the annual meeting, there is no need to vote again at the annual meeting unless you wish to change your vote.

Q: How can I vote my shares without attending the virtual annual meeting?

A: 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 virtual annual meeting.

There are three ways to vote by proxy:

By Internet — 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 1-800-690-6903 and following the instructions. 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 for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. (EDT) on June 6, 2019. 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 director nominee listed in the election proposal, (ii) FOR the ratification proposal, (iii) FOR the 2018 compensation proposal, and (iv) FOR the 2019 Omnibus Incentive Plan proposal.

Q: What if I want to change my vote?

A: At any time prior to the completion of voting at the annual meeting, you may change your vote either by:

giving written notice to our Corporate Secretary revoking your proxy;

by submitting a later-dated proxy by telephone or electronically before 11:59 p.m. Eastern Daylight Time on June 6, 2019;

by a later-dated mailed proxy received before the close of the annual meeting on June 6, 2019; or

by voting online at the annual meeting.

Q: When and where is the virtual annual meeting?

A: The annual meeting will be held virtually on June 7, 2019, at 11:00 a.m., Eastern Daylight Time, or at any adjournments thereof, for the purposes stated in the Notice of Annual Meeting of Stockholders.

Q: How do I attend the annual meeting virtually?

We will host the annual meeting live online. Any stockholder can attend the annual meeting live online at www.virtualshareholdermeeting.com/KDP2019. The webcast will start at 11:00 a.m. Eastern Daylight Time.

A: Stockholders may vote and submit questions while attending the annual meeting online. You will need the control number included on your Notice or your proxy card (if you received a printed copy of the proxy materials) in order to be able to attend the annual meeting live online. Instructions on how to attend and participate online, including how to demonstrate proof of

stock ownership, are posted at www.virtualshareholdermeeting.com/KDP2019. We encourage you to access the meeting prior to the start time to allow ample time to complete the online check-in process.

If you encounter any technical difficulties accessing the virtual meeting during the check-in or meeting time, please call the technical support number that will be posted on the Virtual Shareholder Meeting log in page.

Q: Why is the annual meeting a virtual, online meeting?

Our annual meeting will be a virtual meeting of stockholders using cutting-edge technology, conducted via live webcast. By conducting our annual meeting solely online, we eliminate many of the costs associated with a physical meeting. In addition, we believe that hosting a virtual meeting facilitates stockholder attendance and participation by enabling stockholders to participate from any location around the world and improves our ability to communicate more effectively with our stockholders during the meeting. We have designed the virtual meeting to provide the same rights to participate as you would have at an in-person meeting, including providing opportunities to submit questions during the meeting.

Q: How is KDP distributing proxy materials?

We are furnishing proxy materials to our shareholders primarily via “Notice and Access” delivery. On or about [], 2019, we mailed to our shareholders (other than those who previously requested email or paper delivery) the Notice containing instructions on how to access the proxy materials via the Internet. If you receive the Notice by mail, you will not receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access the proxy materials and vote by going to a secure website.

If you received the Notice by mail and would like to receive paper copies of the proxy materials in the mail on a one-time or ongoing basis, follow the instructions in the Notice for making this request.

If you received the Notice by mail and would like to receive an electronic copy of the proxy materials by email on a one-time or ongoing basis, follow the instructions in the Notice for making this request.

Q: What should I do if I receive more than one copy of the proxy materials?

You may receive more than one 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 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 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.

Q: 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 their reasonable out-of-pocket expenses for such solicitation.

Q: Who will serve as inspector of elections?

A: The inspector of elections will be a representative from the Carideo Group.

Q: What happens if additional matters are presented at the annual meeting?

Other than the four 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, Robert J. Gamgort, Ozan Dokmecioglu and James L. Baldwin, 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.

CORPORATE GOVERNANCE

Principles of Corporate Governance

On July 9, 2018, following the closing of the merger between a wholly owned subsidiary of Dr Pepper Snapple Group, Inc. (“DPS”) and Maple Parent Holdings Corp. (“Maple”), the parent company of Keurig Green Mountain, Inc. (“KGM”), which resulted in the formation of Keurig Dr Pepper Inc. (the “DPS Merger”), the Board adopted principles of corporate governance (“Principles of Corporate Governance”). The Principles of Corporate Governance include, among other things, that the Board:

- has oversight for the integrity of the Company’s financial statements and the Company’s financial reporting process;
- has oversight for the Company’s processes for assessing and managing risk;
- assesses the performance of the Chief Executive Officer and other senior management and sets their compensation;
- establishes principles to assess the independence of directors and make an affirmative determination regarding the independence of each director annually;
- has two standing committees – the Audit and Finance Committee (the “Audit Committee”) and the Remuneration and Nomination Committee (the “RemCo”), each with the power and authority to retain outside advisors; and
- assesses Board and director performance.

In February 2018, the Board waived the mandatory retirement provision in the then-existing Corporate Governance Guidelines as it related to Mr. Sanders and agreed that he should continue as Chairman of the Board until the closing of the DPS Merger or, if the merger agreement was terminated, until the next annual meeting of the Company. Mr. Sanders resigned on July 9, 2018 in connection with the closing of the DPS Merger.

Our Principles of Corporate Governance are available on our website at www.keurigdrpepper.com under the Investors—Corporate Governance caption. The information provided on our website is not incorporated herein by reference unless expressly stated herein as such.

Code of Conduct

We are dedicated to earning the trust of our customers 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.keurigdrpepper.com under the Company — Ethics & Compliance — 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 any 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.keurigdrpepper.com under the Company — Ethics & Compliance – Code of Conduct caption or by filing a Current Report on Form 8-K with the Securities and Exchange Commission (“SEC”).

Director Independence

We have incorporated in our Principles of Corporate Governance the NYSE’s independence standards for evaluating the independence of each director on our Board. These standards are available in the “Investors” section of our website,

www.keurigdrpepper.com within the “Corporate Governance” subsection under the heading “Governance Documents.” Under these standards, a director is considered “independent” if the Board has determined that the director has no material relationship with the Company, either directly, or as a partner, stockholder or officer of an organization that has a relationship with the Company. For purposes of this definition, the Board has determined that a director is not independent if:

• The director is, or has been within the last three years, an employee of the Company, or an immediate family member of the director is, or has been within the last three years, an executive officer of the Company;

The director has received, or has an immediate family member who has received, during any 12-month period during the last three years, more than \$120,000 in direct compensation from the Company (other than Board and committee fees, and pension or other forms of deferred compensation for prior service). Compensation received by an immediate family member for service as an employee (other than an executive officer) of the Company is not considered for purposes of this standard;

(a) The director, or an immediate family member of the director, is a current partner of the Company’s internal or external auditor; (b) the director is a current employee of the Company’s internal or external auditor; (c) an immediate family member of the director is a current employee of the Company’s internal or external auditor who personally works on the Company’s audit; or (d) the director, or an immediate family member of the director, was within the last three years (but is no longer) a partner or employee of the Company’s internal or external auditor and personally worked on the Company’s audit within that time;

The director, or an immediate family member of the director, is, or has been within the last three years, employed as an executive officer of another company where any of the Company’s present executive officers serves or served at the same time on that company’s compensation committee.

The director is a current employee, or an immediate family member of the director is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount that, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of the other company’s consolidated gross revenues; or

The director, or the director’s spouse, is an executive officer of a non-profit organization to which the Company makes, or in the past three years has made, payments that, in any single fiscal year, exceeded the greater of \$1 million or 2% of the non-profit organization’s consolidated gross revenues.

Our Board has determined that each of the following directors satisfies our independence standards and the independence standards of the NYSE: Mses. Hovde and Patsley and Messrs. Michaels and Singer. In connection with the independence determinations, the Board examined the Company’s relationship with BDT & Company (“BDT”) where Ms. Hovde, one of our directors, is a Partner. BDT was retained by Maple in January 2018 as a financial advisor in conjunction with the DPS Merger. Upon the successful closing of the DPS Merger, BDT became entitled to a \$15.0 million transaction advisory fee. The Board determined that the relationship was not material since (i) the advisory fee was less than 2% of the consolidated gross revenues of BDT; (ii) the relationship with BDT was entered into between Maple and BDT prior to the closing of the DPS Merger; and (iii) the amounts were earned by BDT upon the closing of the DPS Merger, prior to Ms. Hovde’s appointment to the Board, at which time BDT’s engagement was completed.

Our Board determined that Mr. Gamgort does not qualify as independent due to his position as our Chief Executive Officer (“CEO”). Mr. Young served as our Chief Executive Officer through July 8, 2018 and therefore is not an independent director. Due to their roles with JAB Holding Company (“JAB”), our largest stockholder, Ms. Kamenetzky and Messrs. Goudet, Harf, and Simon are not currently determined to be independent. Due to their roles with Mondelēz International, Inc. (“Mondelēz”), a significant stockholder, Messrs. Van de Put and Pleuhs are not currently determined to be independent. In each instance, although these directors are not currently determined to be independent, they contribute greatly to the Board and the Company through their wealth of experience, expertise and judgment. All of the directors who serve as members of the Audit Committee are independent as required by the NYSE corporate governance rules. Under these rules, Audit Committee members also satisfy the separate SEC independence requirements.

Controlled Company Status

Following the closing of the DPS Merger, KDP became a “controlled company” for purposes of Section 303A of the NYSE Listed Company Manual (“Section 303A”). Under Section 303A, a company of which more than 50% of the voting power is held by an individual, a group or another company is a “controlled company” and is exempt from certain corporate governance requirements.

KDP currently takes advantage of certain exemptions from corporate governance requirements provided in the NYSE rules for controlled companies. Specifically, as a controlled company, KDP is not required to have (1) a majority of independent directors, (2) a compensation committee composed entirely of independent directors, and (3) a corporate governance and nominating committee composed entirely of independent directors. KDP does not currently have a majority of independent directors and its RemCo does not consist entirely of independent directors. Accordingly, KDP’s stockholders are not afforded the same protections as stockholders of other companies that are required to comply with the independence rules of the NYSE. In the event that KDP ceases to be a controlled company, it will be required to comply with those requirements within specified transition periods.

The controlled company exemption does not modify the independence requirements for our Audit Committee, and KDP complies with the requirements of the NYSE rules with respect thereto.

Selection of Directors

Process

The Board is responsible for approving candidates for the Board. As discussed in the section “Board Committees and Meetings—Remuneration and Nomination Committee” beginning on page 12, the RemCo is responsible for the identification of candidates for the Board and making director recommendations to the Board. The RemCo will also consider director nominations by a stockholder made pursuant to the procedures set forth in our Amended and Restated By-Laws relating to stockholder nominations and as described under “Stockholder Proposals for 2020 annual meeting” on page 63.

Qualifications

The Board believes that a board composed of directors who have diverse personal backgrounds and experiences and who bring a fresh perspective is a priority for the Company. In prospective directors our Board looks for a diverse range of skills, backgrounds and experiences such as leadership, consumer products, international and strategic planning experience; financial and accounting expertise; and corporate governance, governmental policy and regulatory experience. Pursuant to the terms of the agreement governing the DPS Merger, it was agreed that the Board following the closing of the DPS Merger would be initially comprised of twelve members, eight of which were appointed by Maple (including the two directors appointed by Mondelēz), two of which were appointed by DPS, and two of which were mutually agreed upon by Maple and DPS as “independent” directors under the rules of the NYSE. The Board conducts an annual self-evaluation process and periodically considers its composition and refreshment in order to effectively align the Board’s mix of skills, experience and attributes with the Company’s business strategy.

Executive Sessions

Our non-employee directors meet regularly in executive sessions without members of management. Generally, the Chair of the RemCo will serve as Chair in these executive sessions. The committees of the Board also generally meet in executive session at the end of each committee meeting.

Attendance at Annual Meeting

We expect directors to attend the annual meeting absent unusual circumstances. All of the directors serving on our Board at the time attended the Annual Meeting of Stockholders in 2018.

Board Leadership and Role in Risk Oversight

The chairman of the Board and the chief executive officer titles are currently held by the same individual, Mr. Gamgort.

In July 2018, following the DPS Merger, the Company established separated chairman of the Board and the chief executive officer positions, and appointed Lambertus (Bart) Becht, a partner of JAB, as the Company's Chairman of the Board and Mr. Gamgort as chief executive officer. However, following Mr. Becht's resignation from the Board in January 2019, it was decided by the Board that Mr. Gamgort serve as both the chairman of the Board and the chief executive officer to confer advantages and efficiencies including those listed below:

By serving in both positions, the chairman of the Board and chief executive officer is able to draw on his or her detailed knowledge of the Company to provide the Board leadership in focusing its discussions and review of the Company's strategy.

The structure allows for efficient decision making and heightened accountability.

The Board believes that it is in the best interest of the Company and its stockholders for Mr. Gamgort to serve as chairman and chief executive officer, considering the corporate governance practices providing oversight of management as set forth below.

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. KDP management reports to the Audit Committee periodically on compliance, risk management and the oversight of risk management functions. The Audit Committee reports to the Board on its delegated responsibilities regarding risks. The RemCo is responsible for the assessment of risk in KDP's compensation programs and reports to the Board on that assessment.

Communications with the Board

Any interested party may communicate with the Board, the chairman of the Board or the non-employee directors as a group on a Board-related issue by sending an email to ir@kdrp.com or sending a written communication to: Corporate Secretary, Keurig Dr Pepper Inc., 53 South Avenue, Burlington, MA 01803. 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.

BOARD COMMITTEES AND MEETINGS

Audit and Finance Committee

From January 1, 2018 through July 9, 2018, the DPS Audit Committee was comprised of Mr. Alexander (Chair), Mr. Carrillo and Ms. Patsley. Upon and in connection with the closing of the DPS Merger on July 9, 2018, Messrs. Alexander and Carrillo resigned. From July 9, 2018 through December 31, 2018, the Audit and Finance Committee was comprised of Mr. Singer (Chair), Ms. Hovde and Ms. Patsley. On February 14, 2019 Mr. Michaels was appointed to the Audit Committee and Ms. Hovde was reassigned from the Audit Committee to the RemCo. Each of the directors who serves as an Audit Committee member 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 has determined that Mr. Singer, Ms. Patsley, and Mr. Michaels 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 this Proxy Statement and assisting the Board's oversight of:

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

KDP's compliance with all legal and regulatory requirements;