



WHEREAS:

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

Society has been inundated with recyclable materials that are not being recycled. Nearly 2/3 of the 224 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 is an estimated \$2.4 billion (Container Recycling Institute). The U.S. recycling rate for beverage containers declined from 53% in 1992 to 36% in 2009, while sales continued to grow.

Recycling containers also has a significant impact on carbon footprint. If all U.S. beverage containers sold were recovered, an estimated 15.6 million metric tons of greenhouse gases could be avoided.

Significantly higher container recovery rates are possible. In 10 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,” states Dr Pepper Snapple CEO Larry Young 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 the use of recycled content in its bottles and cans.

As a result of engagement with As You Sow and other stakeholders, the two largest U.S. soft drink companies and largest bottled water company established container recovery goals. Coca-Cola agreed to recycle 50% of its plastic and glass bottles and aluminum cans by 2015. Nestlé 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.

Further, Nestlé Waters and other companies are supporting development of Extended Producer Responsibility (EPR) state legislation in the U.S. that would make companies responsible for collection and recycling of post-consumer packaging, policies that are already required in 27 European Union countries and parts of Canada, Japan, and many other countries.

THEREFORE BE IT RESOLVED:

Shareowners of Dr 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, 2012 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.



AS YOU SOW

SUPPORTING STATEMENT:

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