COTT CORP /CN/
Form DEF 14A
March 22, 2017
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

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

Cott Corporation

(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.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the 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):

(4) Proposed maximum aggregate value of the transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Cott Corporation

6525 Viscount Road

Mississauga, Ontario, Canada L4V1H6

(905) 672-1900

5519 West Idlewild Avenue

Tampa, Florida, United States 33634

(813) 313-1800

March 22, 2017

Dear Shareowners:

We are pleased to invite you to attend our annual and special meeting of shareowners, which will be held at the Intercontinental Toronto Yorkville, 220 Bloor Street West, Toronto, Ontario, Canada at 8:30 a.m. (Toronto time) on Tuesday, May 2, 2017. At this meeting, you will have the opportunity to meet our directors and members of our senior management team, learn more about our Company and our plans for the future, and receive our financial results for the 2016 fiscal year.

The notice of meeting and circular that accompany this letter describe the business to be conducted at the meeting.

We are pleased to furnish our proxy materials over the Internet in accordance with applicable law. As a result, we are mailing to many of our shareowners a notice instead of paper copies of our proxy statement, form of proxy and 2016 annual report. The notice contains instructions on how to access these materials over the Internet, as well as instructions on how shareowners can receive paper copies of these materials. Employing this distribution process will conserve natural resources and reduce the costs of printing and distributing these materials.

Even if you cannot attend the meeting, it is important that your shares be represented and voted by using the form of proxy provided. We encourage you to read the circular and vote as soon as possible. We look forward to your participation.

Sincerely,

JERRY FOWDEN

Chief Executive Officer

Table of Contents

Cott Corporation

Notice of Annual and Special Meeting of Shareowners

The Annual and Special Meeting of Shareowners of Cott Corporation (**Cott**) will be held

on:	Tuesday, May 2, 2017
at:	8:30 a.m. (local time in Toronto)
at the:	Intercontinental Toronto Yorkville, 220 Bloor Street West, Toronto, Ontario, Canada
to:	receive the financial statements for the year ended December 31, 2016 and the report on those statements by Cott s independent registered certified public accounting firm,
	elect directors,
	approve the appointment of Cott s independent registered certified public accounting firm,
	hold a non-binding advisory vote on executive compensation,
	hold a non-binding advisory vote on the frequency of future executive compensation advisory votes,
	approve a special resolution to reduce the stated capital of our common shares to US$500 million, and
	transact any other business that properly may be brought before the meeting and any adjournment of the meeting.

By order of the board of directors

Marni Morgan Poe

Vice President, General Counsel and Secretary

Tampa, Florida, U.S.A.

March 22, 2017

YOU ARE INVITED TO VOTE BY COMPLETING, DATING AND SIGNING THE FORM OF PROXY AND RETURNING IT BY MAIL OR BY FACSIMILE, OR BY FOLLOWING THE INSTRUCTIONS FOR VOTING OVER THE INTERNET IN THE PROXY STATEMENT. A VOTE BY PROXY WILL BE COUNTED IF IT IS COMPLETED PROPERLY AND IS RECEIVED BY OUR TRANSFER AGENT NO LATER THAN 5:00 P.M. TORONTO TIME ON APRIL 28, 2017 OR THE LAST BUSINESS DAY PRIOR TO ANY POSTPONED OR ADJOURNED MEETING OR IS OTHERWISE RECEIVED BY OUR SECRETARY, AS DESCRIBED HEREIN, PRIOR TO THE COMMENCEMENT OF THE MEETING OR ANY POSTPONED OR ADJOURNED MEETING. OUR TRANSFER AGENT S MAILING ADDRESS IS COMPUTERSHARE INVESTOR SERVICES INC., 100 UNIVERSITY AVENUE, 8TH FLOOR, TORONTO, ONTARIO, CANADA, M5J 2Y1 AND FACSIMILE NUMBER IS 1-866-249-7775 OR (416) 263-9524.

Table of Contents

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE

ANNUAL AND SPECIAL MEETING OF SHAREOWNERS TO BE HELD ON MAY 2, 2017

This communication is not a form for voting and presents only an overview of the more complete proxy materials, which are available on the Internet or by mail. We encourage you to access and review all of the important information contained in the proxy materials before voting.

Our proxy statement, form of proxy and 2016 annual report are available at our website (*www.cott.com/for-investors/overview*), as well as our profile on SEDAR (*www.sedar.com*). Our proxy statement includes information on the following matters, among other things:

- The date, time and location of the Annual and Special Meeting of Shareowners;
- A list of the matters being submitted to the shareowners for approval; and
- Information concerning voting in person at the Annual and Special Meeting of Shareowners.

If you want to receive a paper copy or e-mail of these documents, you must request one. There is no charge to you for requesting a copy. Please make your request for a copy to Computershare Investor Services by telephone at 1-800-564-6253 or contact Cott s Investor Relations Department directly at our principal executive office: Cott Corporation, 5519 W. Idlewild Ave., Tampa, FL 33634, telephone (813) 313-1732, email InvestorRelations@cott.com.

Table of Contents

Cott Corporation

Annual and Special Meeting of Shareowners

THIS BOOKLET EXPLAINS:

- details of the matters to be voted upon at the meeting, and
- how to exercise your right to vote even if you cannot attend the meeting.

THIS BOOKLET CONTAINS:

- the notice of the meeting,
- the proxy statement for the meeting, and
- a proxy form that you may use to vote your shares without attending the meeting.

REGISTERED SHAREOWNERS

A form of proxy is enclosed with this booklet. This form may be used to vote your shares if you are unable to attend the meeting in person. Instructions on how to vote using this form are found starting on page 1 of this proxy statement.

NON-REGISTERED BENEFICIAL SHAREOWNERS

If your shares are held on your behalf or for your account by a broker, securities dealer, bank, trust company or other intermediary, you will not be able to vote unless you carefully follow the instructions provided by your intermediary.

The accompanying proxy statement and form of proxy are furnished in connection with the solicitation of proxies by or on behalf of management and the board of directors for use at the annual and special meeting of shareowners to be held on Tuesday, May 2, 2017 and any continuation of the meeting after an adjournment of such meeting.

AVAILABILITY OF QUARTERLY FINANCIAL INFORMATION

If you are a shareowner and wish to receive (or continue to receive) our quarterly interim financial statements (and the related management discussion and analysis) by mail, you must complete and return the enclosed request form. If you do not do so, quarterly financial statements will not be sent to you. Financial results are announced by media release, and financial statements are available on our website at *www.cott.com*, on the SEDAR website maintained by the Canadian securities regulators at *www.sedar.com* and on the EDGAR website maintained by the United States Securities and Exchange Commission at *www.sec.gov*.

TABLE OF CONTENTS

Table of Contents

Table of Contents

Cott Corporation

Proxy Statement

GENERAL INFORMATION

This proxy statement is furnished in connection with the solicitation of proxies by or on behalf of management and the board of directors of Cott Corporation (Cott or the Company) for use at the annual and special meeting of shareowners (the meeting) that is to be held at the time and place, and for the purposes, described in the accompanying notice of the meeting and any continuation of the meeting after an adjournment of such meeting.

We are first mailing or making available to shareowners this proxy statement, our 2016 annual report and related materials on or about March 22, 2017. All dollar amounts are in United States dollars unless otherwise stated. All information contained in this proxy statement is as of March 13, 2017, unless otherwise indicated. Our fiscal year ends on the Saturday closest to December 31 of each year. In this proxy statement, therefore, references to the year 2014 are to the fiscal year ended January 3, 2015, references to the year 2015 are to the fiscal year ended January 2, 2016 and references to the year 2016 are to the fiscal year ended December 31, 2016. As used herein, GAAP means United States generally accepted accounting principles.

VOTING AT THE MEETING

Who Can Vote

March 13, 2017 is the record date to determine shareowners who are entitled to receive notice of the meeting. Shareowners at the close of business on that date will be entitled to vote at the meeting. As of the record date, 138,889,813 common shares were outstanding. Each common share entitles the holder to one vote on all matters presented at the meeting.

Voting By Registered Shareowners

The following instructions are for registered shareowners only. **If you are a non-registered beneficial shareowner, please follow your intermediary s instructions on how to vote your shares.** See below under **Voting By Non-Registered Beneficial Shareowners.**

Voting in Person

Registered shareowners who attend the meeting may vote the shares registered in their name on resolutions put before the meeting. If you are a registered holder who will attend and vote in person at the meeting, you do not need to complete or return the form of proxy, although you are requested to do so. Please register your attendance with the scrutineer, Computershare Investor Services Inc. (**Computershare**), upon your arrival at the meeting. Whether or not you plan to attend the meeting, you are requested to complete and promptly return the enclosed proxy.

Voting by Proxy

If you are a registered shareowner but do not plan to attend the meeting in person, there are four ways that you can vote your proxy:

Mail: You may vote by completing, dating and signing the enclosed form of proxy and returning it to Computershare no later than 5:00 p.m. local time in Toronto on April 28, 2017, or the last business day prior to any postponed or adjourned meeting, by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 using the envelope provided.

Table of Contents

Fax: You may vote by completing, dating and signing the enclosed form of proxy and faxing it to Computershare at 1-866-249-7775 (toll free within Canada and the United States) or 1-416-263-9524 (outside Canada and the United States) no later than 5:00 p.m. local time in Toronto on April 28, 2017 or the last business day prior to any postponed or adjourned meeting.

Internet: You may vote over the Internet by accessing *www.investorvote.com* and following the proxy login and voting procedures described for the meeting. The enclosed form of proxy contains certain information required for the Internet voting process. Detailed voting instructions will then be conveyed electronically via the Internet to those who have completed the login procedure. You may vote (and revoke a previous vote) over the Internet at any time before 5:00 p.m. local time in Toronto on April 28, 2017 or the last business day prior to any postponed or adjourned meeting.

The Internet voting procedure, which complies with Canadian law, is designed to authenticate shareowners identities, to allow shareowners to vote their shares and to confirm that shareowners votes have been recorded properly. Shareowners voting via the Internet should understand that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies that must be borne by the shareowners. Also, please be aware that Cott is not involved in the operation of the Internet voting procedure and cannot take responsibility for any access or Internet service interruptions that may occur or any inaccurate, erroneous or incomplete information that may appear.

Other: If you have not availed yourself of any of the foregoing voting procedures by 5:00 p.m. local time in Toronto on April 28, 2017 or the last business day prior to any postponed or adjourned meeting but still wish to vote by proxy, you may vote by (i) completing, dating and signing the enclosed form of proxy and faxing it to the attention of our Secretary at (813) 881-1923, or (ii) having the person you have chosen as your proxyholder deliver it in person to our Secretary, in each case so that it is received prior to the commencement of the meeting or any postponed or adjourned meeting.

What Is a Proxy?

A proxy is a document that authorizes another person to attend the meeting and cast votes on behalf of a registered shareowner at the meeting. If you are a registered shareowner, you can use the accompanying proxy form. You may also use any other legal form of proxy.

How do You Appoint a Proxyholder?

Your proxyholder is the person you appoint to cast your votes for you at the meeting. The persons named in the enclosed form of proxy are directors or officers of Cott. You may choose those individuals or any other person to be your proxyholder. Your proxyholder does not have to be a shareowner of Cott. If you want to authorize a director or officer of Cott who is named on the enclosed proxy form as your proxyholder, please leave the line near the top of the proxy form blank, as their names are pre-printed on the form. **If you want to authorize another person as your proxyholder, fill in that person s name in the blank space located near the top of the enclosed proxy form.**

Your proxy authorizes the proxyholder to vote and otherwise act for you at the meeting, including any continuation of the meeting if it is adjourned.

How Will a Proxyholder Vote?

If you mark on the proxy how you want to vote on a particular issue, your proxyholder must cast your votes as instructed. By checking WITHHOLD on the proxy form, you will be abstaining from voting.

If you do NOT mark on the proxy how you want to vote on a particular matter, your proxyholder is entitled to vote your shares as he or she sees fit. If your proxy does not specify how to vote on any particular matter, and if you have authorized a director or officer of Cott to act as your proxyholder, your shares will be voted at the meeting:

- **FOR the election of the nominees named in this proxy statement as directors;**
- **FOR the approval of the appointment of PricewaterhouseCoopers LLP as Cott s independent registered certified public accounting firm;**
- **FOR the approval, on a non-binding advisory basis, of the compensation of the Company s named executive officers, as such information is disclosed in the Compensation Discussion and Analysis, the compensation tables and the accompanying narrative disclosure beginning on page 18 (commonly referred to as say-on-pay);**
- **FOR the approval, on a non-binding advisory basis, to hold a say-on-pay vote ONCE EVERY YEAR; and**
- **FOR the approval of a reduction of the stated capital of our common shares to $500 million described under Approval of Reduction in Stated Capital beginning on page 63 of this proxy statement, in accordance with the resolution attached as Appendix A to this proxy statement on page A-1.**

For more information on these matters, please see **Election of Directors**, beginning on page 7, **Independent Registered Certified Public Accounting Firm Approval of Appointment of Independent Registered Certified Public Accounting Firm** on page 58, **Advisory Vote on Executive Compensation** on page 61, **Advisory Vote on the Frequency of an Advisory Vote on Executive Compensation** on page 62 and **Approval of Reduction in Stated Capital** on page 63.

If any amendments are proposed to these matters, or if any other matters properly arise at the meeting, your proxyholder can generally vote your shares as he or she sees fit. The notice of the meeting sets out all the matters to be presented at the meeting that are known to management as of March 13, 2017.

How do You Revoke Your Proxy?

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before the meeting by delivering to our Secretary a written notice of revocation or a duly executed proxy bearing a later date, by voting via the Internet at a later date or by attending the meeting and voting in person. You may send a written notice to our Secretary to the following address: 5519 West Idlewild Avenue, Tampa, Florida U.S.A. 33634.

This revocation must be received by our Secretary before the meeting (or before the date of the reconvened meeting if it is adjourned), or in any other way permitted by law.

If you revoke your proxy and do not replace it with another form of proxy that is properly deposited, you may still vote shares registered in your name in person at the meeting.

Voting By Non-Registered Beneficial Shareowners

If your common shares are not registered in your name but in the name of an intermediary (typically a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates), then you are a non-registered beneficial shareowner (as opposed to a registered shareowner). Copies of this document have been distributed to intermediaries who are required to deliver them to, and seek voting instructions from, our non-registered beneficial shareowners. Intermediaries often use a service company (such as Computershare or Broadridge Investor Communications (**Broadridge**)) to forward meeting materials to beneficial shareowners.

Table of Contents

Cott intends to pay for intermediaries to deliver proxy-related materials and the request for voting instructions (Form 54-101F7) to objecting beneficial owners in accordance with National Instrument 54-101. If you are a non-registered beneficial shareowner, you can vote your common shares by proxy, by following the instructions your intermediary provides to you, through your intermediary or at the meeting. As a non-registered beneficial shareowner, while you are invited to attend the meeting, you will not be entitled to vote at the meeting unless you make the necessary arrangements with your intermediary to do so.

Voting in Person

A non-registered beneficial shareowner who received a voting instruction form from the intermediary and who wishes to attend and vote at the meeting in person (or have another person attend and vote on their behalf) should strike out the proxyholders named in the voting instruction form and insert the beneficial shareowner s (or such other person s) name in the blank space provided or follow the corresponding instructions provided by the intermediary.

Voting by Proxy through Intermediary

Internet: If your intermediary is registered with Computershare or Broadridge, both of which we have retained to manage beneficial shareowner Internet voting, you may vote over the Internet by following the proxy login and voting instructions on your voting instruction form.

Through Intermediary: A beneficial shareowner who does not vote via the Internet will be given a voting instruction form or other document by his or her intermediary that must be submitted by the beneficial shareowner in accordance with the instructions provided by the intermediary. In such case, you ***cannot*** use the Internet voting procedures described above and ***must*** follow the intermediary s instructions (which in some cases may allow the completion of the voting instruction form by telephone or on the intermediary s Internet website). Occasionally, a beneficial shareowner may be given a form of proxy that has been signed by the intermediary and is restricted to the number of shares owned by the beneficial shareowner but is otherwise not completed. This form of proxy does not need to be signed by the beneficial shareowner. In this case, you can complete the form of proxy and vote by mail or facsimile only in the same manner as described above under **Voting by Registered Shareowners Voting by Proxy** beginning on page 1 of this proxy statement.

In all cases, beneficial shareowners should carefully follow the instructions provided by the intermediary.

Proxies returned by intermediaries as non-votes because the intermediary has not received instructions from the beneficial shareowner with respect to the voting of certain shares, or because under applicable stock exchange or other rules, the intermediary does not have the discretion to vote those shares on one or more of the matters that come before the meeting, will be treated as not entitled to vote on any such matter and will not be counted as having been voted in respect of any such matter. Shares represented by such broker non-votes will, however, be counted in determining whether there is a quorum for the meeting. In addition to being able to submit to Cott or the intermediary, as applicable, a voting instruction form, beneficial shareowners are permitted to submit any other documents in writing that requests that the beneficial shareowner or a nominee thereof be appointed as a proxyholder.

Confidentiality of Vote

Computershare counts and tabulates proxies in a manner that preserves the confidentiality of your votes. Proxies will not be submitted to management unless:

- there is a proxy contest;
- the proxy contains comments clearly intended for management; or
- it is necessary to determine a proxy s validity or to enable management and/or the board of directors to meet their legal obligations to shareowners or to discharge their legal duties to Cott.

Quorum

The annual meeting requires a quorum, which for this meeting means:

- at least two persons personally present, each being a shareowner entitled to vote at the meeting or a duly appointed proxy for an absent shareowner so entitled; and

- persons owning or representing not less than a majority of the total number of our shares entitled to vote.

Vote Counting Rules

All matters that are scheduled to be voted upon at the meeting, other than as set out below, are ordinary resolutions. Ordinary resolutions are passed by a simple majority of votes: if more than half of the votes that are cast are cast in favor, the resolution passes. Ten directors nominated must be elected by ordinary resolution of the shareowners. Pursuant to Cott s Majority Voting and Director Resignation Policy, if a nominee in an uncontested election does not receive the vote of at least the majority of the votes cast (including votes for and votes withheld), such director is required to promptly deliver written notice to the Corporate Governance Committee offering to resign from the board of directors. Cott s Majority Voting and Director Resignation Policy is described more particularly below under the heading **Majority Voting and Director Resignation Policy** on page 13 of this proxy statement.

The approval of Cott s independent registered certified public accounting firm must be approved by ordinary resolution of the shareowners. Due to the non-binding advisory nature of the matter to be voted upon in respect of the compensation of Cott s executive officers, there is no minimum vote requirement for the proposal. However, the matter will be considered to have passed with the affirmative vote of a majority of the votes cast by shareowners that are present or represented and entitled to vote at the meeting. Similarly, since the non-binding advisory vote on the frequency of say-on-pay votes seeks the input of shareowners and provides shareowners with multiple voting options, the options being every one, two or three years, there is no minimum vote requirement for the proposal. However, the frequency option receiving the greatest number of votes will be considered the frequency recommended by shareowners.

The approval of the reduction in stated capital is a special resolution, which must be approved by not less than sixty-six and two-thirds percent (66 2/3%) of the votes cast by the shareowners.

Proxies may be marked FOR, AGAINST or WITHHOLD/ABSTAIN. Abstentions/withholding and broker non-votes are counted for purposes of establishing a quorum, but they are not counted as votes cast for or against a proposal.

Solicitation of Proxies

The cost of soliciting proxies will be borne by Cott. In addition, Cott may reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation materials to such beneficial owners. Proxies may also be solicited by certain of our directors, officers and employees, without additional compensation, personally or by telephone, telegram, letter or facsimile. We have hired MacKenzie Partners, Inc., a professional soliciting organization, to assist us in distributing proxy solicitation materials and responding to information requests from shareowners with respect to the materials. For these services, MacKenzie Partners, Inc. will be paid a fee of $12,000, plus limited reimbursement for out-of-pocket expenses.

Please Complete Your Proxy

Our management, with the support of the board of directors, requests that you fill out your proxy to ensure your votes are cast at the meeting. **This solicitation of your proxy (your vote) is made on behalf of management and the board of directors**.

Table of Contents

PROCEDURE FOR CONSIDERING SHAREOWNER PROPOSALS

If you want to propose any matter for inclusion in our 2018 proxy statement, it must be received by our Vice President, General Counsel and Secretary no later than November 22, 2017 at Cott Corporation, 5519 West Idlewild Avenue, Tampa, Florida, U.S.A. 33634.

Our by-laws fix a deadline by which shareowners must submit director nominations prior to any meeting of shareowners. In the case of annual meetings, advance notice must be delivered to us not less than 30 nor more than 60 days prior to the date of the annual meeting; provided, however, that if the annual meeting is called for a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, advance notice may be made not later than the close of business on the 10th day following the date on which the public announcement of the date of the annual meeting is first made by us. In the case of a special meeting of shareowners (which is not also an annual meeting), advance notice must be delivered to us no later than the close of business on the 15th day following the day on which the public announcement of the date of the special meeting is first made by us. Our by-laws also require any shareowner making a director nomination to provide certain important information about its nominees with its advance notice. Only shareowners who comply with these requirements will be permitted to nominate directors to the board of directors unless the advance notice requirements of our by-laws are waived by the board of directors in its sole discretion. You are advised to review our by-laws, which contain additional requirements about advance notice of director nominations.

PRINCIPAL SHAREOWNERS

We are not aware of any person who, as of March 13, 2017, beneficially owned or exercised control or direction, directly or indirectly, over more than 5% of our common shares except as set forth below:

Name	Nature of Ownership or Control	Number of Shares	Percentage of Class
Levin Capital Strategies, L.P.(1) 595 Madison Avenue, 17th Floor New York, New York 10022	Beneficial ownership	20,501,883	14.80%
Connor, Clark & Lunn Investment Management Ltd.(2) 2200-1111 West Georgia Street Vancouver, BC, V6E 4M3 Canada	Beneficial ownership	12,598,471	9.10%
FMR LLC(3) 245 Summer Street Boston, Massachusetts 02210	Beneficial ownership	7,107,959	5.14%

(1) Based solely on information reported in an amended Schedule 13G filed by Levin Capital Strategies, L.P. (Levin Capital) on February 14, 2017 with the United States Securities and Exchange Commission (the SEC). As reported in such filing, Levin Capital is the beneficial owner of 20,501,883 shares, constituting approximately 14.80% of the shares outstanding, with shared voting power with respect to 16,209,396 shares, and shared dispositive power with respect to 20,501,883 shares.

(2)

Based solely on information reported in a Schedule 13G filed by Connor, Clark & Lunn Investment Management Ltd (Connor Clark) on February 13, 2017 with the SEC. As reported in such filing, Connor Clark is the beneficial owner of 12,598,471 shares, constituting approximately 9.10% of the shares outstanding, with shared voting power with respect to 12,280,938 shares, and sole dispositive power with respect to 12,598,471 shares.

(3) Based solely on information reported in an amended Schedule 13G filed by FMR LLC (FMR) on February 14, 2017 with the SEC. As reported in such filing, FMR Co., Inc, FIAM LLC, and Fidelity Institutional Asset Management Trust Company reported that each beneficially owns Cott common shares. Abigail P. Johnson is the Chairman and Chief Executive Officer of FMR. Members of the family of Ms. Johnson (the Johnson Family) are the predominant owners, directly or through trusts, of Series B voting common shares of FMR, representing 49% of the voting power of FMR. The Johnson Family and all other Series B shareholders have entered into a shareholders voting agreement under which all Series B voting common shares will be voted in accordance with the majority vote of

Table of Contents

Series B voting common shares. Accordingly, through their ownership of voting common shares and the execution of the shareholders voting agreement, members of the Johnson Family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR. Neither FMR nor Ms. Johnson has the sole power to vote or direct the voting of the shares owned directly by the various investment companies registered under the Investment Company Act (Fidelity Funds) advised by Fidelity Management & Research Company, a wholly owned subsidiary of FMR, which power resides with the Fidelity Funds Boards of Trustees. Fidelity Management & Research Company carries out the voting of the shares under written guidelines established by the Fidelity Funds Boards of Trustees.

FINANCIAL STATEMENTS

At the meeting, we will submit to our shareowners Cott s annual consolidated financial statements for the year ended December 31, 2016, and the related report of Cott s independent registered certified public accounting firm. No vote will be taken regarding the financial statements.

ELECTION OF DIRECTORS

The Corporate Governance Committee of the board of directors (the **Corporate Governance Committee**) reviews annually the qualifications of persons proposed for election to the board and submits its recommendations to the board for consideration.

In the opinion of the Corporate Governance Committee and the board, each of the 10 nominees for election as a director is well qualified to act as a director of Cott and, together, the nominees bring the mix of independence, diversity, expertise and experience necessary for the board and its committees to function effectively. Our approach to corporate governance and the roles of the board and its committees are described under **Corporate Governance** on page 49 of this proxy statement.

During 2016, the board of directors held nine meetings. Each of our incumbent directors attended, in person or by telephone, 75% or more of the applicable meetings of the board of directors and committees on which they served in 2016.

Set forth below is certain information concerning our nominees for election as directors of Cott, including information regarding each person s service as a director, committee membership, business experience, director positions held currently or at any time during the last five years, information regarding involvement in certain legal or administrative proceedings, if applicable, and the experiences, qualifications, attributes or skills that caused the Corporate Governance Committee and the board of directors to determine that the person should serve as a director of Cott. Because Cott is a Canadian corporation, we are required to have at least 25% of our directors be Canadian residents. The directors who are Canadian residents are identified below. If elected, each director will hold office until the next annual meeting of shareowners.

Table of Contents

The board has considered the independence of each of the nominees for election as directors of Cott for purposes of the rules of the SEC, New York Stock Exchange (**NYSE**) and, where applicable, National Instrument 58-101 Disclosure of Corporate Governance Practices (**NI 58-101**) of the Canadian Securities Administrators. All nominees are independent except for Mr. Fowden, our Chief Executive Officer. See **Certain Relationships and Related Transactions** on page 16 of this proxy statement for further discussion of the board s determinations as to independence.

Nominee	**Committee Membership**
Mark Benadiba, 64, of Toronto, Ontario, Canada, served as executive Vice-President, North American Operations, of Cott Corporation from 1996 until 2006. Mr. Benadiba held several roles during his tenure at Cott from 1990 through 2006, including Executive Vice President and Chief Executive Officer of Cott Canada from 1990 to 1998. Previously, Mr. Benadiba was a Senior Executive of Pepsi/Seven-Up, Toronto/Canada (a division of Seven-Up Canada Inc.). He has served on Cott s board since June 2008. The board nominated Mr. Benadiba to be a director because of his management experience in, and extensive knowledge of, the beverage industry. The board believes Mr. Benadiba s experience in the beverage industry, including the various positions he held within Cott, enable him to make valuable contributions to the board. Mr. Benadiba is a Canadian resident.	Audit Committee
Jerry Fowden, 60, of Tampa, Florida, U.S.A., was appointed as our Chief Executive Officer in 2009. Prior to this appointment, he served as President of Cott s international operating segment, Interim President North America and Interim President of Cott s UK and European business from 2007 to 2009. Prior to joining Cott, Mr. Fowden served as Chief Executive Officer of Trader Media Group and was a member of the Guardian Media Group plc s board of directors from 2005 to 2007. Prior to this time, Mr. Fowden served in a variety of roles at multiple companies, including global Chief Operating Officer of ABInBev S.A. Belgium, an alcoholic beverage company, Chief Executive Officer of Bass Brewers Ltd., a subsidiary of AB InBev S.A. Belgium, Managing Director of the Rank Group plc s Hospitality and Holiday Division and member of the Rank Group plc s board of directors, Chief Executive Officer of Hero AG s European beverage operations and various roles within PepsiCo Inc. s beverage operations and Mars, Incorporated s pet food operations. Mr. Fowden currently serves on the board of directors of Constellation Brands Inc., a premium alcoholic beverage company, and on the board of directors of the American Beverage Association. Mr. Fowden previously served as a member of the advisory board of Tchibo Coffee International Ltd, a premium coffee company. The board nominated Mr. Fowden to be a director because he is Cott s Chief Executive Officer, and has held operational management positions within Cott in North America and Europe. Under Mr. Fowden s leadership, Cott has become a more highly cash generative business, in higher margin, stable to growing Good For You beverage categories distributed through multiple channels with a reduced dependence on large format retailers.	

Table of Contents

Nominee	Committee Membership
David T. Gibbons, 73, of Naples, Florida, U.S.A., was Cott s Interim Chief Executive Officer from March 2008 to February 2009. Prior to joining Cott, he was Chairman and Chief Executive Officer of Perrigo Company, a manufacturer of retailer brand over-the-counter pharmaceutical and nutritional products, from 2000 to 2006, and from 2003 to 2007, he also held the role of Chairman of that company. Mr. Gibbons has served on the board of directors of Perrigo and Robbins & Myers, Inc., a manufacturer of fluid management products. He has served on Cott s board since April 2007, and is currently the Chairman of the board. The board nominated Mr. Gibbons to be a director because he has an extensive consumer products background, with leadership experience in strategic planning, sales and marketing, operational improvements and international operations, as well as extensive board and corporate governance experience from serving as a director and committee member on public, private and non-profit boards.	Chairman of the Board; Corporate Governance Committee
Stephen H. Halperin, 67, of Toronto, Ontario, Canada, is a partner at the law firm of Goodmans LLP. He has been a partner with Goodmans since 1987 and served as a member of the Executive Committee from 1993 to 2016. He also serves as a director of Gluskin Sheff + Associates, Inc., a Toronto Stock Exchange listed wealth management company, and is a member of the Board of Governors of McGill University. Mr. Halperin served on the board of trustees of KCP Income Fund, a custom manufacturer of national brand and retailer brand consumer products, and has served on the boards of several other publicly listed issuers. He has served on Cott s board since 1992. The board nominated Mr. Halperin to be a director because he is an expert in Canadian corporate law, with over 30 years of experience counseling boards and senior management regarding corporate governance, compliance, disclosure, international business conduct, capital markets, corporate strategy and other relevant issues. Mr. Halperin is a Canadian resident.	
Betty Jane (BJ) Hess, 68, of Hingham, Massachusetts, U.S.A., was Senior Vice President, Office of the President, of Arrow Electronics, Inc., an electronics distributor listed on the NYSE, for five years prior to her retirement in 2004. At Arrow Electronics, Inc., Ms. Hess was responsible for global operations and led or participated in the integration of 62 acquisitions in the Unites States, Europe and Asia over a 20 year period. She served on the board of directors of the ServiceMaster Company, a company providing home maintenance and lawn care services, and Harvest Power, a firm specializing in the management of organic waste. Ms. Hess is the subject of case studies at Harvard Business School and MIT Sloan School of Management on integration strategy and operational excellence in the supply chain at Arrow Electronics, Inc. She has served on Cott s board since 2004. The board nominated Ms. Hess to be a director because it believes that her executive experience, integration expertise, leadership and communication skills are valuable assets to the board.	Human Resources and Compensation Committee

Nominee	Committee Membership
Gregory Monahan, 43, of Darien, Connecticut, U.S.A., has been a Senior Managing Director of Crescendo Partners, L.P., a New York-based investment firm, since December 2014. Prior to December 2014, he served as Managing Director of Crescendo Partners and has held various positions at Crescendo Partners since May 2005. He is also a Managing Member and Portfolio Manager for Jamarant Capital, LP, a private investment firm. Previously, he was co-founder of Bind Network Solutions, a consulting firm focused on network infrastructure and security. Mr. Monahan is currently on the board of directors of Absolute Software Corp., a leader in firmware-embedded endpoint security and management for computers and ultra-portable devices. He also serves on the board of directors of BSM Technologies Inc., a global commercial fleet telematics provider. He previously served on the board of directors of COM DEV International Ltd., a supplier of space equipment and services, SAExploration Holdings Inc., a seismic data services company, ENTREC Corporation, a heavy haul and crane services provider, Bridgewater Systems, a telecommunications software provider, and O Charley s Inc., a multi-concept restaurant company. Mr. Monahan has served on Cott s board since June 2008. The board nominated Mr. Monahan to be a director because it believes he possesses valuable financial expertise, including extensive expertise with capital markets transactions and investments in both public and private companies. He has served in managing roles in investment and technology consulting firms, which experience informs his judgment and risk assessment as a board member.	Audit Committee
Mario Pilozzi, 70, of Oakville, Ontario, Canada, was, until January 2008, President and CEO of Wal-Mart Canada. He joined Wal-Mart Canada in 1994 as Vice-President of Hardline Merchandise and was promoted to Senior Vice-President of Merchandise and Sales, and later Chief Operating Officer, before serving as President and CEO. Prior to joining Wal-Mart Canada, Mr. Pilozzi held a broad range of positions with Woolworth Canada spanning more than 30 years, including the positions of Vice-President of Hardline Merchandise, Administrator of Store Openings, District Manager, Store Manager and several other key roles in Woolworth s variety and discount-store divisions. Since his retirement in 2008, Mr. Pilozzi has served as a consultant for Wal-Mart s businesses in Puerto Rico, Brazil, Argentina, Chile, Mexico, China and Japan. Mr. Pilozzi has served on Cott s board since June 2008. The board nominated Mr. Pilozzi to be a director because he has extensive executive experience with two well-known, multinational corporations and understands the retail sales business of our retailer partners. Mr. Pilozzi is a Canadian resident.	Human Resources and Compensation Committee
Andrew Prozes, 71, of Miami Beach, FL, U.S.A., was Global Chief Executive Officer of LexisNexis Group, a provider of legal and risk management solutions and information in New York City, from 2000 to December 2010. Mr. Prozes served on the board of directors of Reed Elsevier plc and Reed Elsevier NV, parent entities to LexisNexis, until his retirement from LexisNexis Group at the end of 2010. Mr. Prozes also serves as a director on the boards of Transunion LLC, Asset International Inc., Reputation Institute, Scribestar Ltd., Ethoca Limited, Synaptive Medical Inc., Corporate Risk Holdings Limited and a number of other private for-profit and not-for-profit boards. He has served on Cott s board since January 2005. The board nominated Mr. Prozes to be a director because it believes he possesses valuable executive and financial expertise that makes him an asset to the board. Cott benefits from Mr. Prozes s experience as an executive officer and director of large, international companies.	Corporate Governance Committee; Chair, Human Resources and Compensation Committee

Table of Contents

Nominee	Committee Membership
Eric Rosenfeld, 59, of New York, New York, U.S.A., has been the President and Chief Executive Officer of Crescendo Partners, L.P., a New York based investment firm, since its formation in November 1998. Prior to forming Crescendo Partners, he held the position of Managing Director at CIBC Oppenheimer and its predecessor company Oppenheimer & Co., Inc. for 14 years. Mr. Rosenfeld currently serves as a director for CPI Aerostructures Inc., a company engaged in the contract production of structural aircraft parts, for which he also serves as Chairman, Absolute Software Corp., a leader in firmware-embedded endpoint security and management for computers and ultraportable devices and Pangaea Logistics Solutions Ltd., a logistics and shipping company that merged with Quartet Merger Corp., a blank-check company, for which he served as Chairman and CEO. Currently Mr. Rosenfeld serves as the Chairman and CEO of Harmony Merger Corp., a blank-check company. Mr. Rosenfeld has also served as a director for numerous companies, including Arpeggio Acquisition Corporation, Rhapsody Acquisition Corporation and Trio Merger Corp., all blank check companies that later merged with Hill International, Primoris Services Corporation and SAExploration Holdings Inc., respectively. He also served on the board of directors of Sierra Systems Group Inc., an information technology, management consulting and systems integration firm, SAExploration Holdings Inc., a seismic data services company, Emergis Inc., an electronic commerce company, Hill International, a construction management firm, Matrikon Inc., a company that provides industrial intelligence solutions, DALSA Corp., a digital imaging and semiconductor firm, GEAC Computer, a software company, and Computer Horizons Corp., an IT services company. Mr. Rosenfeld has served on Cott s board since June 2008 and is our Lead Independent Director. The board nominated Mr. Rosenfeld to be a director because he has extensive experience serving on the boards of multinational public companies and in capital markets and mergers and acquisitions transactions. Mr. Rosenfeld also has valuable experience in the operation of a worldwide business faced with a myriad of international business issues. Mr. Rosenfeld s leadership and consensus-building skills, together with his experience as senior independent director of all boards on which he currently serves, make him an effective Lead Independent Director for the board.	Chair, Corporate Governance Committee
Graham Savage, 67, of Toronto, Ontario, Canada, is a corporate director. Between 2002 and 2007, Mr. Savage served as the Chairman of Callisto Capital L.P., a Toronto-based private equity firm. Prior to this, since 1998, Mr. Savage was Managing Director at Savage Walker Capital Inc., Callisto Capital L.P. s predecessor. Between 1975 and 1996, Mr. Savage was with Rogers Communications Inc. in various positions culminating in being appointed the Senior Vice President, Finance and Chief Financial Officer, a position he held for seven years. In addition, Mr. Savage serves on the boards of Postmedia Network Canada Corp. and Sears Canada Inc. He has also served on the boards of Canadian Tire Corporation, Rogers Communications Inc., Alias Corp., Lions Gate Entertainment Corp. and Royal Group Technologies Limited, among others. Mr. Savage has served on Cott s board since February 2008. The board nominated Mr. Savage to be a director because of his financial expertise, including expertise in the area of private equity. He is our audit committee financial expert and has served as Chief Financial Officer of a large public company. Mr. Savage also has board and committee experience at both public and private companies, and his extensive executive experience brings strong financial and operational expertise to the board. Mr. Savage is a Canadian resident.	Chair, Audit Committee

Table of Contents

It is intended that each director will hold office until the close of business of the 2018 annual meeting or until his or her earlier resignation, retirement or death. Pursuant to Cott s Corporate Governance Guidelines, no director may stand for election or re-election to the board of directors after the director has reached the age of 75 (a director that turns 75 during his or her term, however, may serve out the remainder of that term). No nominee identified above will reach the age of 75 prior to the date of the 2018 annual meeting.

Unless otherwise instructed, the persons named in the accompanying form of proxy intend to vote FOR the election to the board of directors of the 10 nominees who are identified above. Management and the board of directors do not contemplate that any of the nominees will be unable to serve as a director. If, for any reason at the time of the meeting, any of the nominees are unable to serve, then the persons named in the accompanying form of proxy will, unless otherwise instructed, vote at their discretion for a substitute nominee or nominees.

Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions

Except as set forth below, to the knowledge of Cott, none of its directors and officers is, or within 10 years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including Cott) that (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or officer was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as set forth below, to the knowledge of Cott, none of its directors and officers is, or within 10 years prior to the date hereof has been, a director or executive officer of any company (including Cott) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (ii) has, within 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

Mr. Savage served as a director of Sun-Times Media Group, Inc. (**Sun Times**), formerly Hollinger International Inc. (**Hollinger**). He served as a director of that company from July 2003 until November 2009. On June 1, 2004, the Ontario Securities Commission issued a permanent management cease trade order (the **Ontario Cease Trade Order**) against the insiders of Hollinger for failing to file its interim financial statements and interim management s discussion and analysis for the three-month period ended March 31, 2004, and its annual financial statements, management s discussion and analysis and annual information form for the year ended December 31, 2003. In addition, the British Columbia Securities Commission issued a cease trade order against an insider of Hollinger resident in British Columbia on May 21, 2004, as updated on May 31, 2004 (the **BC Cease Trade Order**). The Ontario Cease Trade Order was allowed to expire on January 9, 2006 and is no longer in effect. The BC Cease Trade Order was revoked on February 10, 2006 and is no longer in effect. Sun Times filed for protection under Chapter 11 of the United States Bankruptcy Code in April 2009, and the principal operating assets of Sun Times were subsequently sold.

Mr. Fowden served on the board of directors of Chesapeake Corporation (now known as Canal Corporation), a supplier of speciality paperboard products, when it filed a voluntary Chapter 11 petition in the United States on December 29, 2008. He served as a director of such company until May 2009.

Table of Contents

To the knowledge of Cott, none of its directors and officers has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to invest in Cott.

Majority Voting and Director Resignation Policy

Pursuant to Cott s Majority Voting and Director Resignation Policy, if a nominee in an uncontested election does not receive the vote of at least the majority of the votes cast, the director is required to promptly deliver a written notice to the Corporate Governance Committee offering to resign from the board of directors. Following receipt of an offer of resignation, the Corporate Governance Committee must consider whether or not to accept the offer of resignation and recommend to the board of directors whether or not to accept it. With the exception of exceptional circumstances that would warrant the continued service of the applicable director on the board of directors, the Corporate Governance Committee is expected to accept and recommend acceptance of the resignation by the board of directors. In considering whether or not to accept the resignation, the Corporate Governance Committee may consider factors provided as guidance by the Toronto Stock Exchange (the **TSX**) and all factors deemed relevant by members of the Corporate Governance Committee including, without limitation, any stated reasons why shareowners withheld votes from the election of that nominee, the length of service and the qualifications of the director whose resignation has been submitted, such director s contributions to Cott, Cott s governance guidelines and Cott s obligations under applicable laws. The board of directors must make its decision on the Corporate Governance Committee s recommendation within 90 days following the meeting of Cott s shareowners. In considering the Corporate Governance Committee s recommendation, the board will evaluate the factors considered by the Corporate Governance Committee and such additional information and factors that the board of directors deems relevant and, with the exception of exceptional circumstances that would warrant the continued service of the applicable director on the board of directors, the board of directors will accept the resignation. If an offer of resignation is accepted in accordance with this policy, the board of directors may in accordance with the provisions of Cott s articles and by-laws appoint a new director to fill any vacancy created by the resignation or reduce the size of the board of directors.

COMPENSATION OF DIRECTORS

We use a combination of cash and stock-based compensation to attract and retain qualified candidates to serve on the board. We set director compensation at a level that reflects the significant amount of time and high skill level required of directors in performing their duties for Cott and for its shareowners. In 2016, other than Jerry Fowden, our Chief Executive Officer, no employees served as directors. Mr. Fowden s compensation during 2016 has been fully reflected in the Summary Compensation Table on page 34 of this proxy statement. We provided the following annual compensation to our non-employee directors in 2016:

Name	Fees Earned or Paid in Cash ($)[2]	Stock Awards ($)[3]
Mark Benadiba[1]	81,000	99,000
David Gibbons	181,000	99,000
Stephen Halperin[1]	81,000	99,000
Betty Jane Hess	81,000	99,000
Gregory Monahan	151,000[4]	99,000
Mario Pilozzi[1]	81,000	99,000
Andrew Prozes	96,000	99,000
Eric Rosenfeld	121,000	99,000
Graham Savage[1]	98,500	99,000

Table of Contents

(1) Messrs. Benadiba, Halperin, Pilozzi and Savage are compensated in Canadian dollars. The amounts paid to such individuals are converted from the U.S. dollar amounts listed above to Canadian dollar amounts at the U.S. to Canadian conversion rate in effect at the time of payment.

(2) Non-employee directors are also reimbursed for certain business expenses, including travel expenses, in connection with board and committee meeting attendance. These amounts are not included in the above table.

(3) Represents common shares issued in payment of the annual director long-term incentive fee for non-employee directors pursuant to the Company s Amended and Restated Cott Corporation Equity Incentive Plan.

(4) At the request of the board, Mr. Monahan served as board liaison to the deal teams managing the due diligence, negotiation and financing activities surrounding the acquisitions of the S&D and Eden Springs businesses. For his service as board liaison, Mr. Monahan was paid an additional fee of $70,000.

Directors Compensation Schedule

The compensation of directors is considered in light of the overall governance structure of Cott. Compensation for directors is recommended to the board by the Human Resources and Compensation Committee (the **Compensation Committee**) and is approved by the independent directors. Director compensation is set solely on an annual fee basis (paid quarterly in arrears) and per-meeting attendance fees are not paid. Generally, directors are not separately compensated for service on board committees in roles other than the committee chair.

During 2016, directors of Cott were entitled to the following annual fees:

Category	**Annual Fees**
Annual board retainer	$ 81,000
Annual fee for the non-executive chair of the board	$ 100,000
Annual fee for chairing the:	
Audit Committee	$ 17,500
Compensation Committee	$ 15,000
Corporate Governance Committee	$ 10,000
Annual fee for the lead independent director	$ 30,000
Annual long-term equity incentive fee (stock award)	$ 99,000

Share Ownership Requirements for Board Members

The board of directors has adopted minimum share ownership requirements for non-management directors. Under the requirements, each such director must own common shares having a minimum aggregate value equal to five times his or her annual board retainer fee (excluding additional committee or chairman retainers). The Compensation Committee or the board of directors may, from time to time, reevaluate and revise these guidelines to give effect to changes in Cott s common share price or capitalization. The value of shares owned by each director is recalculated on an annual basis on December 31 of each year. Compliance with the requirements is measured by the General Counsel on December 31 of each year and reported to the Compensation Committee. Directors are not required to attain the minimum ownership level by a particular deadline. However, until the guideline amount is achieved, such directors are required to retain an amount equal to 100% of net shares received as equity compensation. Once a director achieves the applicable ownership guideline, such director will be considered in compliance, regardless of any changes in the price of Cott common shares, so long as such director continues to own at least the number of Cott common shares owned in order to achieve the applicable guideline. Net shares are defined as those shares that remain after shares are sold or netted to pay the exercise price of stock options (if applicable) and taxes payable upon the grant of a stock payment or the vesting of restricted shares, restricted share units, performance shares, or performance share units or the exercise of stock options or stock appreciation rights. Failure to meet or to show sustained progress toward meeting the guidelines may be a factor considered by the Compensation Committee in determining future long-term incentive equity grants to such directors. Shares purchased on the open market may be sold in compliance with Cott s policies and applicable securities law. These requirements are designed to ensure that directors long-term interests are closely aligned with those of our shareowners. Each of the incumbent non-management directors holds common shares in excess of the threshold required by the share ownership guidelines as of December 31, 2016.

Table of Contents

SECURITY OWNERSHIP OF DIRECTORS AND MANAGEMENT

Security Ownership

The following table and the notes that follow show the number of our common shares beneficially owned as of March 13, 2017 by each of our directors and the individuals named in the Summary Compensation Table, as well as by our current directors and executive officers as a group.

Name	Common Shares Beneficially Owned, Controlled or Directed[1]	Options Exercisable within 60 days	Total	Common Shares Percentage of Class[2]
Mark Benadiba	64,402		64,402	*
David Gibbons	133,510		133,510	*
Stephen Halperin	117,074		117,074	*
Betty Jane Hess	72,403		72,403	*
Gregory Monahan[3]	121,326		121,326	*
Mario Pilozzi	124,153		124,153	*
Andrew Prozes	84,130		84,130	*
Eric Rosenfeld[4]	515,065		515,065	*
Graham Savage	35,939		35,939	*
Jerry Fowden[5]	644,792	316,291	961,083	*
Jay Wells[5]	53,473	148,493	201,966	*
Thomas Harrington[5]	46,100		46,100	*
Marni Morgan Poe[5]	95,898	84,916	180,814	*
Carlos Baila[5]	20,557	34,533	55,090	*
Directors and executive officers as a group (consisting of 17 persons, including the directors and executive officers named above)	2,211,258[2]	647,649	2,858,907	2.06%

* Less than 1%

(1) Each director and officer has provided the information on shares beneficially owned, controlled or directed. The shareowners named in this table have sole voting and investment power over all shares shown as beneficially owned by them.

(2) Percentage of class is based on 138,889,813 shares outstanding as of March 13, 2017.

(3) Includes 12,000 shares indirectly held by Mr. Monahan through Jamarant Capital, L.P.

(4) Includes 125,000 shares indirectly held by Mr. Rosenfield through Crescendo Partners III, L.P.

(5) Amounts reported in the above table do not include unvested time-based restricted share units included in the amount of securities beneficially owned by such person as reported on Form 4.

Section 16(a) Beneficial Ownership Reporting Compliance

Our directors and executive officers and any beneficial owner of more than 10% of our common shares, as well as certain affiliates of those persons, must file reports with the SEC showing the number of common shares they beneficially own and any changes in their beneficial ownership. Based on our review of these reports and written representations of our directors and executive officers, we believe that all required reports in 2016 were filed in a timely manner.

15

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The board has determined that nine of the nominees for director, Mark Benadiba, David T. Gibbons, Stephen Halperin, Betty Jane Hess, Gregory Monahan, Mario Pilozzi, Andrew Prozes, Eric Rosenfeld and Graham W. Savage, are independent within the meaning of the rules of the SEC, NYSE and NI 58-101. A director is independent in accordance with the rules of the SEC, NYSE and NI 58-101 if the board affirmatively determines that such director has no material relationship with us (either directly or as a partner, shareowner or officer of an organization that has a relationship with us). Mr. Fowden is a management director and is therefore not independent.

With respect to Mr. Halperin, the board of directors considered Mr. Halperin s position as a partner of Goodmans LLP, a law firm that provides services to Cott on a regular basis, and determined that Mr. Halperin is independent. The amount of fees earned by Goodmans LLP for legal services rendered to Cott is financially immaterial to Goodmans LLP and to Mr. Halperin s compensation from such firm. Although fees paid by the Company to Goodmans LLP are immaterial to that firm and Mr. Halperin s compensation, concern has been expressed by certain shareowners with respect to Mr. Halperin s service on board committees comprising solely independent directors in light of this relationship. To address this concern, Mr. Halperin and the board of directors have agreed that he not serve on standing board committees.

Each director and nominee for election as director delivers to Cott annually a questionnaire that includes, among other things, a request for information relating to any transactions in which both the director or nominee, or their family members, and Cott participates, and in which the director or nominee, or such family member, has a material interest. Pursuant to Cott s Corporate Governance Guidelines and the charter of the Corporate Governance Committee, the Corporate Governance Committee is required to review all transactions between Cott and any related party (including transactions reported to it by a director or nominee in response to the questionnaire, or that are brought to its attention by management or otherwise), regardless of whether the transactions are reportable pursuant to Item 404 of Regulation S-K under the Securities and Exchange Act of 1934, as amended (the **Exchange Act**).

After considering advice from the Corporate Governance Committee, the board of directors is required to review, and, if appropriate, approve or ratify, such related party transactions. A related party transaction is defined under the Corporate Governance Guidelines as any transaction in which Cott was or is to be a participant and in which any related party has a direct or indirect material interest, other than transactions that (i) are available to all employees generally, (ii) involve compensation of executive officers or directors duly authorized by the appropriate board committee, or (iii) involve reimbursement of expenses in accordance with Cott s established policy.

A related party is defined under the Corporate Governance Guidelines as any person who is, or at any time since the beginning of Cott s last fiscal year was, an executive officer or director (including in each case nominees for director), any shareowner owning in excess of 5% of Cott s common shares, or an immediate family member of an executive officer, director, nominee for director or 5% shareowner.

An immediate family member is defined under the Corporate Governance Guidelines as a person s spouse, parents, stepparents, children, stepchildren, siblings, mother- and father-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone (other than employees) who shares such person s home.

Management and directors must also update the board of directors as to any material changes to proposed transactions as they occur.

Because related party transactions potentially vary, the Corporate Governance Committee or the board of directors has not to date developed a written set of standards for evaluating them, but rather addresses any such transactions on a case-by-case basis.

Table of Contents

To the knowledge of the directors, no insider, director or proposed nominee for election as a director, or any associate or affiliate of any such persons, had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any material transaction with Cott since January 3, 2016.

None of the directors, executive officers, employees, former executive officers, former directors or former employees of Cott has any indebtedness to Cott or any of its subsidiaries.

Table of Contents

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Discussion and Analysis

Executive Summary

We seek to incentivize management to increase long-term, sustainable shareowner value giving appropriate consideration to risk and reward. We strive to focus management on executing our vision to create a highly cash generative business, in higher margin, stable to growing Good For You beverage categories distributed through multiple channels with a reduced dependence on large format retailers. This vision combines four elements: (1) focus on growth in our Water & Coffee Solutions reporting segment, (2) capture DSS, Aquaterra and Eden synergies, (3) grow contract manufacturing and other beverage categories in our traditional business and (4) evaluate mid-to-larger scale acquisitions. Our compensation programs are designed to reward executives based on the achievement of both individual and corporate performance targets, while at the same time avoiding the encouragement of unnecessary or excessive risk-taking. Our named executive officers total compensation consists of a base salary, opportunities for annual performance-based cash bonus compensation, and long-term compensation in the form of equity ownership.

This Compensation Discussion and Analysis focuses on the compensation of our named executive officers for 2016, who were:

Jerry Fowden	Chief Executive Officer
Jay Wells	Chief Financial Officer
Thomas Harrington	President Services / Chief Executive Officer DSS
Marni Morgan Poe	Vice President, General Counsel and Secretary
Carlos Baila	Chief Procurement Officer and Chief Operations Officer North America Business Unit

We believe that our named executive officers were instrumental in helping us execute our vision, as follows:

- We expanded our positions in the home and office delivery (**HOD**) water, office coffee services and filtration services categories by completing several acquisitions in 2016, including Aquaterra Corporation, a Canadian direct-to-consumer HOD bottled water and office coffee services business, Eden Springs Europe B.V, a leading provider of water and coffee solutions in Europe, and S. & D. Coffee, Inc., a premium coffee roaster and provider of customized coffee, tea, and extract solutions to the foodservice, convenience, gas, hospitality and office segments in the United States.

- We continued to focus on synergy capture and integration of these acquired businesses, focusing on back of the house synergies within procurement, distribution, information technology and selling, general and administrative expenses.

- We completed ten separate HOD water tuck-in acquisitions in our Water & Coffee Solutions reporting segment, which complements our organic growth in this reporting segment.

- We continued to grow our North America traditional business unit contract manufacturing business, with actual case volume increasing 9.0% from the prior year.

In 2016, the Compensation Committee and management continued to implement compensation and corporate governance best practices that reflect our financial position and our business, including:

- Salary, bonus and perquisite decisions reflecting our results for the year, including:

- We determined to increase the base salary for each of our named executive officers;

- Each of our named executive officers, other than the President Services / Chief Executive Officer of DSS (the **DSS CEO**), received a performance bonus equal to 81.0% of target award opportunity. The DSS CEO did not receive a performance bonus for 2016, as actual EBITDA results were below the threshold target established for the DSS bonus pool;

Table of Contents

- o Perquisites available to our named executive officers continued to be limited to an annual executive physical examination and a car allowance.

Awards of a combination of performance-based restricted share units (37.5%), time-based restricted share units (25%), and stock options (37.5%) to each of our named executive officers. The performance-based restricted share units vest based upon the achievement of a specific level of cumulative pre-tax income over the three-year period ending at the end of fiscal 2018. All of the time-based restricted share units and stock options provide for pro rata vesting (ratable vesting in three equal annual installments). Dividends will accrue on unvested time-based restricted share units and performance-based restricted share units and will be paid only to the extent the underlying award vests. Our goal in linking an element of our long-term incentives to three-year financial results is to align our named executive officers incentives with the long-term interests of our shareowners. For grants in the 2017 annual grant cycle made in December 2016, our named executive officers received the same types and relative percentages of equity awards as were awarded earlier in 2016. **Since these awards were granted in 2016, their grant date fair values, along with the grant date fair values of awards granted earlier in 2016, are reflected in the Summary Compensation Table on page 34.**

A number of policies designed to further our compensation goals and strategies:

- o A clawback policy to allow the board of directors to recoup any excess annual or long-term incentive compensation paid to our current and former executive officers in the event of a required accounting restatement of a financial statement of Cott, whether or not based on misconduct, due to material non-compliance with any financial reporting requirement under the securities laws of the United States. The clawback policy is intended to reduce potential risks associated with our incentive plans, and thus better align the long-term interests of our named executive officers and shareowners.

- o A no-hedging policy that prohibits our directors, named executive officers, and other key executive officers from engaging in any hedging or monetization transactions, such as zero-cost collars and forward sale contracts, with respect to Cott securities.

- o A policy prohibiting directors and employees, including named executive officers, from engaging in any short-term, speculative transactions involving Cott securities, including purchasing securities on margin, engaging in short sales, buying or selling put or call options, and trading in options.

- o A policy prohibiting directors and employees, including named executive officers, from holding Cott securities in a margin account or pledging Cott securities as collateral for a loan.

- o Share ownership guidelines that require our directors, named executive officers, and other key employees to hold a certain amount of shares received as equity compensation from Cott, with the amount set at a particular multiple of base salary.

The Compensation Committee s continued engagement of an independent compensation consultant that does not provide any services to management and that had no relationship with management prior to the engagement.

The continued administration of a robust risk management program, which includes our Compensation Committee s oversight of the ongoing evaluation of the relationship between our compensation programs and risk, as well as the oversight of risk by the Audit Committee on behalf of the full board pursuant to the Audit Committee Charter.

We believe that the following table is helpful in understanding the targeted versus actual payout of the performance-based cash bonuses to our named executive officers over the previous three fiscal years. This table supplements the information in the Summary Compensation Table appearing following Compensation Discussion and Analysis.

Table of Contents

PERFORMANCE-BASED CASH BONUS ACHIEVEMENT HISTORY

Named Executive Officer	Fiscal Year	Cash Incentives Actual Payout Against Target
Jerry Fowden	2016	81.0%
	2015	114.0%
Chief Executive Officer	2014	102.3%
Jay Wells	2016	81.0%
	2015	114.0%
Chief Financial Officer	2014	102.3%
Thomas Harrington	2016	(1)
	2015	60.0%
President Services / Chief Executive Officer DS Services of America, Inc.	2014	(1)
Marni Morgan Poe	2016	81.0%
	2015	114.0%
Vice President, Secretary and General Counsel	2014	102.3%
Carlos Baila(2)	2016	81.0%
	2015	
Chief Procurement Officer and Chief Operations Officer North America Business Unit	2014	

(1) Mr. Harrington did not receive a performance bonus for 2014 or 2016, as actual EBITDA results for that year were below the threshold target established for the DSS bonus pool.

(2) Mr. Baila was not a named executive officer in 2014 or 2015.

As we believe the above information indicates, Cott s annual performance bonus plan emphasizes compensation that is at-risk and generally only payable based on the achievement of challenging corporate and individual targets. We encourage you to read this Compensation Discussion and Analysis for details regarding our executive compensation program, including information about the 2016 compensation of the named executive officers.

Say-on-Pay and Say-on-Frequency Results

At the 2016 annual meeting of shareowners, we solicited from our shareowners an advisory vote on the compensation of our named executive officers. The shareowners voted to approve, on an advisory basis, the compensation of our named executive officers, as such information is disclosed in the Compensation Discussion and Analysis, the compensation tables and the accompanying narrative disclosure, set forth in our 2016 annual meeting proxy statement. The vote was 98.16% of the shares voting For, 1.80% of the shares voting Against, and 0.04% of the shares Withholding their votes.

The Compensation Committee took into account the result of the shareowner vote in determining executive compensation policies and decisions since the 2016 annual meeting of shareowners. The Compensation Committee viewed the vote as an expression of the shareowners general satisfaction with our current executive compensation programs.

At this meeting, we will hold a non-binding advisory vote on the frequency of future executive compensation advisory votes. As further described under the heading **Advisory Vote on the Frequency of an Advisory Vote on Executive Compensation** on page 62, the board is recommending that you vote to conduct a non-binding, advisory vote on executive compensation once every year.

Overview of Compensation Program

The Compensation Committee is responsible for overseeing Cott s compensation reward programs, which include compensation (base salary, bonus, and equity compensation) and limited perquisites as described below and as set forth in the Summary Compensation Table. In addition, the Compensation Committee is responsible

20

Table of Contents

for overseeing talent management and succession planning for the senior management team, as well as setting objectives and evaluating the performance of Cott s Chief Executive Officer. To assist in executing its responsibilities, the Compensation Committee may retain independent compensation consultants, at Cott s expense, who report solely to the Compensation Committee. The Compensation Committee is responsible for ensuring that the total compensation paid to our Chief Executive Officer and the officers who directly report to him is fair, reasonable and competitive. The Compensation Committee must recommend to the independent members of the board of directors, and the board must review and, if it deems appropriate, approve any changes to our Chief Executive Officer s compensation package. The Compensation Committee reviews and approves all compensation packages and any adjustments thereto for the direct reports. The Compensation Committee also approves any severance packages to departing direct reports, as well as the severance plans that govern the terms of the severance packages. We refer to the officers who report directly to our Chief Executive Officer as **direct reports**, which in 2016 included all of our named executive officers other than Mr. Fowden.

Company Objectives

The primary objectives of our current compensation program are to incentivize management to increase long-term, sustainable shareowner value, giving appropriate consideration to risk and reward, and to focus management on executing our vision. Periodically, the Compensation Committee reviews and approves the design of our compensation programs to ensure that it provides sufficient compensation opportunities for executives in order to attract, retain and motivate the best possible management team. Our compensation programs are designed to:

- Establish pay levels with reference to personal performance and external competitiveness with relevant labor markets and the relative value of the role in Cott s business, with the ultimate objective of aligning our named executive officers compensation with the market median of the compensation of executives performing similar functions in the competitive market and in Cott s peer group;
- Achieve this alignment by making incremental adjustments to components of named executive officers compensation over time, with the type and magnitude of such adjustments made in light of Cott s overall business performance;
- Reward executives based on the achievement of both individual and corporate performance targets, while at the same time avoiding the encouragement of unnecessary or excessive risk-taking; and
- Deliver conservative, market-based executive benefits.

Our compensation packages for named executive officers consist of a base salary, opportunities for annual performance-based cash bonus compensation, and long-term compensation in the form of equity ownership. The Compensation Committee has selected these components because it believes they align the interests of our named executive officers with those of our long-term shareowners and motivate these executives to achieve our goals.

Setting Executive Compensation and the Role of Executive Officers in Compensation Decisions

Periodically, the Compensation Committee determines what adjustments, if any, to base salary, cash performance bonus amounts, performance targets for performance-based compensation, and the applicable levels and targets for other compensation would be appropriate for our Chief Executive Officer, and recommends any adjustments to the board of directors. The board considers the Compensation Committee s proposals and, if acceptable, approves them.

The Compensation Committee also determines whether any adjustments to compensation would be appropriate for the direct reports. The Compensation Committee, annually and as it otherwise deems appropriate, meets with our Chief Executive Officer and our Corporate Human Resources Vice President to obtain recommendations with respect to our compensation programs and packages for the direct reports. The Chief Executive Officer and our Corporate Human Resources Vice President may make recommendations to the

Table of Contents

Compensation Committee on base salary, long-term incentive plan awards, performance targets, and other compensation terms for the direct reports that the Compensation Committee may consider. The Compensation Committee considers management s proposals, reviews independent data to validate these recommendations and, if acceptable, approves them. The Compensation Committee is not bound to, and does not always accept, management s recommendations with respect to executive compensation for the direct reports. In addition, the Compensation Committee has the authority to access (at Cott s expense) independent, outside compensation consultants and other advisors for both advice and competitive data as it determines the level and nature of Cott s executive compensation.

In 2016, the Compensation Committee continued to retain Frederic W. Cook & Co. (**Cook**) as its sole independent compensation consultant. Cook only performs work for and reports directly to the Compensation Committee and attends Compensation Committee meetings as requested. Cook provided recommendations to the Compensation Committee on the competiveness and appropriateness of all elements of executive compensation, including the Chief Executive Officer s compensation. Cook did not provide any additional services to the board or management in 2016.

The Compensation Committee has considered the independence of Cook in light of SEC rules and NYSE listing standards. In connection with this process, the Compensation Committee has reviewed, among other items, a report from Cook addressing the independence of Cook and the members of the consulting team serving the Compensation Committee, including the following factors: (i) other services provided to Cott by Cook; (ii) fees paid by Cott as a percentage of Cook s total revenue; (iii) policies or procedures of Cook that are designed to prevent conflicts of interest; (iv) any business or personal relationships between the senior advisor of the consulting team with a member of the Compensation Committee; (v) any Cott stock owned by the senior advisor or any immediate family member; and (vi) any business or personal relationships between our executive officers and the senior advisor. The Compensation Committee discussed these considerations and concluded that the work performed by Cook and its senior advisor involved in the engagement did not raise any conflict of interest.

The Compensation Committee periodically reviews compensation data and pay practices from Cott s peer group and general industry surveys to determine the market median of the compensation of executives performing similar functions in the competitive market and in Cott s peer group. However, the board of directors and the Compensation Committee retain discretion in setting the compensation for our Chief Executive Officer and his direct reports, respectively. As a result, compensation for these executives may differ materially from the peer group and may vary according to factors such as experience, position, tenure, individual and organizational factors, and retention needs, among others. The Compensation Committee periodically evaluates and selects which companies to reference for purposes of executive compensation competitiveness. With guidance from its compensation consultant and input and discussion with management, the Compensation Committee discusses annually whether the mix of companies in the peer group produces a valid competitive analysis relative to our talent requirements.

The Compensation Committee, with input from Cook, determined in 2015 that the peer group below, consisting of selected North American companies, was appropriate for setting 2016 target compensation.

Companies used for Compensation Comparison

Brown-Forman Corp.	Maple Leaf Foods Inc.
Cal-Maine Foods, Inc.	Monster Corporation
Coca-Cola Bottling Co. Consolidated	National Beverage Corp.
Constellation Brands, Inc.	Sanderson Farms, Inc.
Dr Pepper Snapple Group, Inc	Seneca Foods Corp.
Flowers Foods, Inc.	Snyders-Lance, Inc.
The Hain Celestial Group, Inc.	SunOpta Inc.
J&J Snack Foods Corp.	TreeHouse Foods, Inc.
Lancaster Colony Corp.	United Natural Foods, Inc.

During its October 2016 meeting, the Compensation Committee, with input from Cook, reviewed the peer group that would be used for setting 2017 target compensation and determined to remove National Beverage Corp. and Seneca Foods Corp., as their financial profile was not aligned with Cott s financial profile following Cott s acquisitions in 2016, and to remove SunOpta Inc., as it uses long-term equity incentive awards that differ from Cott s long-term equity incentive awards. The Compensation Committee also determined to add ABM Industries Incorporated, Cintas Corporation, Servicemaster Global Holdings Inc. and Post Holdings, Inc. to the Company s peer group, as their business and financial profiles more closely align with Cott s business and financial profile.

In addition, the Compensation Committee reviews size-adjusted median compensation data from two general industry surveys in which management annually participates: the Aon Hewitt Total Compensation Measurement survey and the Towers Watson Compensation Data Bank survey. The Aon Hewitt survey in 2016 included over 450 companies ranging in size from $100 million to over $100 billion in annual revenue, and the Willis Towers Watson survey in 2016 included over 480 organizations ranging in size from $100 million to over $450 billion in annual revenue.

The Compensation Committee annually reviews peer group and survey data in recommending our Chief Executive Officer s compensation to the board of directors and in setting compensation for the direct reports. We consider the compensation paid by companies in our peer group as one factor in setting compensation for our named executive officers, and we may review peer group data with respect to individual components of compensation in addition to overall compensation. Compensation for the majority of our named executive officers has historically fallen at the low end of our market median range (our market median range is plus or minus 10% of the market median for base salary, plus or minus 15% of the market median for all other elements of compensation, and plus or minus 15% of the market median for total compensation). Our goal, over time and depending on the success of our overall business, is to more closely align components of our named executive officers compensation with the market median range for all compensation elements. In 2016, base salary for all of our named executive officers, except the DSS CEO and the Chief Procurement Officer and Chief Operations Officer North America Business Unit (the **Chief Procurement Officer**), was slightly below the low end of our market median range. Total annual compensation opportunities for our Chief Executive Officer were within the low end of our market median range and for the Chief Financial Officer and Vice President, General Counsel and Secretary were slightly below the low end of our market median range. Total compensation opportunities and base salary for the Chief Procurement Officer were within the high end of our market median range. Total annual compensation opportunities and base salary for the DSS CEO, which were originally set by an employment agreement negotiated as part of the acquisition of DSS, were above the high end of our market median range.

The Compensation Committee intends to continue to make adjustments to executive compensation in light of the objectives of our compensation program, our financial and competitive position and our business. The Compensation Committee may exercise discretion as to the type and magnitude of these adjustments. In addition, the Compensation Committee may choose to set compensation based on factors other than external data and company performance, including individual responsibilities, potential and achievement. The Compensation Committee believes that its 2016 decisions supported the objectives of Cott s compensation program.

Long-Term versus Currently-Paid Compensation

Currently-paid compensation to our named executive officers includes base salaries, which are paid periodically throughout the fiscal year, annual cash performance bonuses based on performance targets proposed by management and approved by the Compensation Committee, which are awarded after the end of the fiscal year, and limited perquisites and personal benefits, which are paid consistent with our policies in appropriate circumstances. Our named executive officers historically have been eligible to participate in our long-term equity incentive plans, including the Amended and Restated Cott Corporation Equity Incentive Plan (the **Amended and Restated Equity Plan**). The Amended and Restated Equity Plan provides the Compensation Committee and management with the flexibility to design compensatory awards responsive to Cott s business needs and goals. Awards under the Amended and Restated Equity Plan may be in the form of stock options, stock

Table of Contents

appreciation rights, restricted shares, restricted share units, performance shares, performance units or stock payments. As of December 31, 2016, all of our outstanding equity awards were issued under the Amended and Restated Equity Plan. The Amended and Restated Equity Plan is described in more detail under the heading **Equity Compensation Plan Information** on page 48 of this proxy statement. Our executive officers may also participate in our 401(k) Plan, which is available to all employees in the United States, except for certain union employees.

The compensation structure for our named executive officers is intended to balance the need of these executives for current income with the need to create long-term incentives that are directly tied to achievement of our operational targets and growth in shareowner value. For our Chief Executive Officer, the Compensation Committee reviews peer group and survey data and recommends to the board of directors the terms of his compensation arrangements. The board reviews the recommendation and, if acceptable, approves such arrangements. Our Chief Executive Officer and Corporate Human Resources Vice President review peer group and survey data and recommend to the Compensation Committee the terms of the compensation arrangements for direct reports. The Compensation Committee reviews those recommendations and, if acceptable, approves them.

Compensation Components

For 2016, the principal compensation components for Cott s named executive officers consisted of the following:

Component	Objective
Base salary	Fixed pay that takes into account an individual s role and responsibilities, experience, expertise, and individual performance, and compensates named executive officers for services rendered during the fiscal year.
Cash performance bonuses	Performance-based compensation that is paid to reward attainment of annual corporate and individual performance targets.
Long-term equity incentive awards	Equity compensation that reinforces the link between incentives and long-term Company performance, incentivizes our named executive officers, aligns the interests of our named executive officers with those of our shareowners, and encourages executive retention.
Retirement benefits	Retirement benefits that provide the opportunity for financial security in retirement consistent with programs for our broad-based employee population, including limited matching contributions under Cott s 401(k) Plan.
Limited perquisites and benefits	Limited perquisites and benefits that effectively facilitate job performance, including an annual executive physical examination and a car allowance.

Base Salary

We provide named executive officers and other employees with base salary, paid over the course of the year, to compensate them for services rendered during the fiscal year. Base salary is determined by an annual assessment of a number of factors, including position and responsibilities, experience, individual job performance relative to responsibilities, impact on development and achievement of our business strategy, and competitive market factors for comparable talent in the peer group. However, the board of directors and the Compensation Committee retain discretion in setting the compensation for our Chief Executive Officer and the direct reports, respectively, and as a result, base salary for these executives may differ from that of comparable executives in the peer group.

In 2016, the Compensation Committee recommended, and the board of directors approved, an increase to the base salary for our Chief Executive Officer. Similarly, upon the recommendation of our Chief Executive Officer and our Corporate Human Resources Vice President, the Compensation Committee determined to increase the base salaries for our other named executive officers. In making such determinations, the board and the Compensation Committee considered the achievement of individual performance goals, a review of peer group and survey data, the results of Cott s performance, and input from Cook.

Base salary for our named executive officers in 2016 is shown in the Summary Compensation Table, under the heading **Salary** on page 34 of this proxy statement.

The Compensation Committee intends to review the base salaries for our Chief Executive Officer and other named executive officers in the second half of 2017 to determine if any increases to such base salaries would be appropriate.

Performance Bonuses

General

The Compensation Committee believes that some portion of overall cash compensation for named executive officers should be performance-based, that is, contingent on successful achievement of corporate and individual targets. To that end, and depending on our financial and operating performance, the Compensation Committee may approve performance-based bonuses. The addition of performance bonuses in these situations more closely aligns a named executive officer s overall compensation with his or her individual performance and the profitability of the business unit for which he or she is accountable. Eligibility for performance bonuses is set forth in a named executive officer s employment offer letter, and is based on market competitiveness, the impact of the executive s role within Cott, and the executive s long-term contributions. Any changes to the target bonus levels set forth in the employment offer letter for our Chief Executive Officer are recommended by the Compensation Committee and determined by the board of directors. Any changes to the target bonus levels set forth in the employment offer letters for the direct reports are reviewed and approved by the Compensation Committee. The targets related to performance-based bonuses are reviewed and approved by the Compensation Committee. The Compensation Committee believes that this bonus arrangement presents executives with clear, quantified targets that will focus them on strategic issues and align management s interests with those of our long-term shareowners in the sustained growth of shareowner value.

At the end of each fiscal year, an individual performance review is conducted for each named executive officer. If an individual performance review results in a rating below acceptable levels for the relevant period, all or a portion of the performance bonus may be withheld, even if corporate targets were met. During the performance review for our Chief Executive Officer and for his direct reports, the Compensation Committee determines whether the individual performance targets were met. Our board of directors retains the discretion to make adjustments to the performance bonus for our Chief Executive Officer, and the Compensation Committee retains the discretion to make adjustments to the performance bonuses for the direct reports.

The Compensation Committee also has the authority to award discretionary bonuses in recognition of particularly significant contributions by an executive during the year. No such discretionary bonuses were awarded in 2016.

Company Performance Targets

Performance bonus eligibility in 2016 was determined based in part on achieving corporate targets and in part on achieving individual targets. In 2016, 70% of the performance bonus of our named executive officers, other than the DSS CEO, was calculated based on Cott achieving a specified level of EBITDA, 15% of the performance bonus was based on Cott achieving a specified level of operating free cash flow and 15% of the performance bonus was based on Cott achieving a specified level of revenue. The performance bonus for the DSS CEO was calculated based on DSS achieving specified levels of EBITDA, revenue and net cooler rental activity, weighted 70%, 15% and 15%, respectively.

Table of Contents

For performance bonus purposes, (i) **EBITDA** is GAAP earnings before interest, taxes, depreciation, and amortization, (ii) **operating free cash flow** is GAAP net cash provided by operating activities, less capital expenditures, (iii) **net cooler rental activity** is net new cooler rental customers, or total cooler rental customer additions for the year less total cooler rental customers who terminated service in the year, and (iv) **revenue** is GAAP revenue. The metrics utilized for performance bonus purposes may be adjusted to exclude the impact of certain items as approved by the Compensation Committee, and as a result, they may not correspond to the reported measures used in Cott s other disclosures or filings.

The business unit in which an individual is employed determines the bonus pool from which he or she is eligible to receive a performance bonus payment and the metrics applicable for the payment of the bonus. There were six company-wide major bonus pools designated at the start of 2016: North America, DSS, United Kingdom, Mexico, RCI and Corporate. All of our named executive officers, other than the DSS CEO, participated in the Corporate bonus pool in 2016. The DSS CEO participated in the DSS bonus pool.

The metrics described above closely correspond with the performance of our business, and the Compensation Committee therefore viewed them as appropriate performance targets for measuring the achievement by our named executive officers of Cott s business goals. Once the corporate performance targets were achieved, the individual performance of the named executive officer was considered, and if expectations for his or her role had been met, the executive was paid a bonus in full. A bonus could have been withheld in whole or in part if the executive did not meet expectations for his or her role. No bonus or portion of a bonus was withheld in 2016.

Performance bonuses in 2016 had a threshold level, a base target level and an outperform level. Performance bonuses may be paid if the actual result for each metric, other than EBITDA, is less than the applicable threshold level. If the actual results for the EBITDA metric are below the threshold level, no performance bonuses will be paid, subject to the discretion of the board of directors and the Compensation Committee to modify the performance bonus of our Chief Executive Officer and his direct reports, respectively, based on achievement of individual performance targets. Management generally recommends the performance criteria targets at the beginning of each year to the Compensation Committee for review and approval. For 2016, our named executive officers could earn a performance bonus of up to a maximum level of 200% of the target bonus amount based on achievement of goals in excess of the outperform level. In the Corporate and DSS bonus pools, the target bonus awards for 2016 for our named executive officers varied between 75% and 100% of annual base salary.

The Compensation Committee believes that setting an achievable goal is important in motivating our employees appropriately and in constructing a pay package that allows us to compete successfully in the market for talented employees. The following chart sets forth the threshold, target and outperform performance targets established by the Compensation Committee in February 2016 for the Corporate and DSS bonus pools, and the actual results achieved for those bonus pools.

2016 Performance Bonus Program

Targets applicable to named executive officers ($ in millions)

	Corporate Pool (enterprise level)			DSS Unit Pool (operating unit level)		
	EBITDA $	Operating Free Cash Flow $	Revenue $	EBITDA $	Revenue $	Net Cooler Rental Activity #
Threshold	297.5	104.3	2,734.4	186.7	908.4	26,462
Target	371.9	130.4	2,878.3	208.1	1,012.7	29,500
Outperform	446.3	156.5	3,079.8	249.7	1,215.2	35,400
Actual	325.4	137.5	2,847.3	165.9	1,006.2	54,007

Table of Contents

These metrics are interpolated on a straight-line basis between the threshold, target, and outperform performance levels, resulting in a payout percentage for each metric. The relative weighting for each metric as set forth in the chart below is applied to the payout percentages, and the results are aggregated, resulting in a bonus payout as a percentage of the target award. This percentage is then applied to the target bonus amount to determine the amount of a named executive officer s bonus, subject to the discretion of the board of directors and the Compensation Committee to modify the performance bonus.

The following chart sets forth the calculation of the bonus payouts as a percentage of target award opportunities for the Corporate and DSS bonus pools.

2016 Performance Bonus Program

Calculation of bonus payout as a percent target award

	Corporate Pool (enterprise level)			DSS Unit Pool (operating unit level)		
	EBITDA (70%)	Operating Free Cash Flow (15%)	Revenue (15%)	EBITDA (70%)	Revenue (15%)	Net Cooler Rental Activity (15%)
% Payout (Per Metric)	69.0%	127.0%	89.0%	0.0%	96.0%	200.0%
% Payout Weighted (Per Metric)	49.0%	19.0%	13.0%	0.0%	0.0%	0.0%
Bonus Payout % Target Award		81.0%			0.0%	

As noted above, actual results, when weighted as described above, resulted in a bonus payout of 81.0% of target award opportunity for our named executive officers, other than the DSS CEO. The DSS CEO did not receive a performance bonus for 2016, as actual EBITDA results were below the threshold target established for the DSS bonus pool.

The Compensation Committee has determined to continue the same structure of corporate and individual performance metrics for 2017 for the Corporate and North America bonus pools. For the DSS bonus pool for 2017, the Compensation Committee determined that EBITDA alone was a more appropriate performance target for measuring the financial performance of the DSS business. As a result, the metric for the 2017 DSS bonus pool was changed from EBITDA (70%), revenue (15%) and net cooler rental activity (15%) to EBITDA (100%).

Individual Performance Targets

During 2016, we used individual performance targets for named executive officers in two ways. First, the Compensation Committee could have reduced or modified a performance bonus based on a named executive officer s achievement of or failure to achieve individual performance targets. The Compensation Committee determined that our named executive officers met their respective individual performance targets and, as a result, no reductions would be made to performance bonuses. Second, the Compensation Committee made salary adjustment decisions with respect to a named executive officer at the end of the year based in part upon achievement of individual performance targets, as discussed above under the heading **Compensation Components Base Salary** on page 24 of this proxy statement. The targets set for 2016 varied by business unit and the named executive officer s function within Cott. The individual targets for the Chief Executive Officer were approved by the Compensation Committee and the individual targets for the other named executive officers were approved by the Chief Executive Officer. The targets were set to reflect the executive s role in ongoing and planned business initiatives and were designed to closely correlate with our business plan for 2016.

Table of Contents

In setting specific target levels, a variety of factors were considered, including our areas of focus for the year, our relationships with customers and suppliers, and general economic conditions. A description of the individual 2016 performance targets applicable to our named executive officers is set out below:

Chief Executive Officer:

- Develop and implement strategic and operational initiatives for long-term growth of Cott; and
- Achieve specific financial and operational targets.

Chief Financial Officer:

- Implement strategic and operational initiatives for long-term growth of Cott; and
- Achieve specific financial and operational targets.

DSS CEO:

- Deliver certain operational and financial targets; and
- Implement operational initiatives for long-term growth of the DSS business.

Vice President, General Counsel and Secretary:

- Develop and oversee legal support function for implementation of strategic and operational initiatives for long-term growth of Cott; and
- Resolve certain litigation matters in a cost effective manner.

Chief Procurement Officer:

- Secure commodities at prices consistent with the 2016 annual operating plan, and
- Ensure successful implementation of procurement and North American suppy chain projects to assist Cott in the management of its business.

The individual performance targets are set in order to accomplish two objectives. First, the targets represent management s and the Compensation Committee s goals for Cott s performance over time, based on market factors, customer relationships, commodity costs and other operational considerations that we weigh in preparing internal forecasts. Second, they provide executives with meaningful objectives, directly related to their job function, that motivate him or her to positively contribute to our success.

Long-Term Incentive Plans

In 2016, our senior-level employees were eligible to participate in our Amended and Restated Equity Plan. There is no set formula for the granting of awards to individual executives or employees under the Amended and Restated Equity Plan. Generally, we use a methodology to determine award size based on benchmarking against our peer group and the industry in general, among other factors. The Amended and Restated Equity Plan provides the Compensation Committee and management with the flexibility to design compensatory awards responsive to Cott s needs. Awards under the Amended and Restated Equity Plan may be in the form of stock options, stock appreciation rights, restricted shares, restricted share units, performance shares, performance units or stock payments.

In February 2016, each of our named executive officers (other than the DSS CEO) received an equity award during the 2016 annual grant cycle. In August 2016, the Chief Financial Officer and Vice President, General Counsel and Secretary received an equity award in recognition of their efforts on the acquisitions of Eden Springs and S&D Coffee and to more closely align their total compensation with our market median range, and the DSS CEO received an equity award in recognition of his increased oversight responsibilities over the newly acquired S&D and Eden Springs businesses. To encourage executive retention, the Compensation Committee

Table of Contents

determined to approve equity awards to our named executive officers for the 2017 annual grant cycle at its December 2016 meeting, and expects to approve the annual grant cycle equity awards in December each year going forward. Each of the February 2016, August 2016 and December 2016 equity awards are reflected in the Summary Compensation Table on page 34, with each award being comprised of a combination of performance-based restricted share units (37.5%), time-based restricted share units (25%), and stock options (37.5%). The Compensation Committee determined to award this combination of equity to the named executive officers following a review of peer group and survey data. All of the time-based restricted share units and stock options vest in three equal annual installments, and the performance-based restricted share units vest based upon the achievement of a specific level of cumulative pre-tax income over a three-year period. The Compensation Committee selected a three-year performance period based upon input received from Cook regarding the time period utilized with respect to similar awards made by Cott s peer group companies, as well as the Compensation Committee s belief that a three-year measurement period reinforces the link between incentives and long-term Company performance. We believe that these equity awards incentivize our named executive officers, align the interests of our named executive officers with those of our shareowners, and encourage executive retention.

The performance-based restricted share units granted in 2014 were granted with a pre-tax income target of $92.1 million and variable vesting based on the level of pre-tax income actually achieved, as follows:

Achievement	Pre-Tax Income Threshold	Percentage of Performance Units Vested
125% of Target or greater	$115.1 million	125%
100% of Target	$92.1 million	100%
70% of Target	$64.4 million	40%
Less than 70% of Target	Less than $64.4 million	0%
Actual	$134.2 million	125%

As noted above, our actual cumulative pre-tax income during the three-year period ending at the end of fiscal 2016 was $134.2 million, and as a result, the percentage of performance-based restricted share units that vested in February 2017 was 125%. For performance-based restricted share unit purposes, **pre-tax income** is GAAP income before income taxes. This metric may be adjusted to exclude the impact of certain items, as approved by the Compensation Committee, and as a result, they may not correspond to similarly titled reported measures used in Cott s other disclosures or filings.

Retirement Benefits

In 2016, as part of our cost management efforts, we continued to limit executive benefits to those specifically granted pursuant to employment agreements (as discussed in the narrative following the Summary Compensation Table and below). Our named executive officers are eligible to participate in our 401(k) Plan, which is open to all employees in the United States except certain union employees. Employees are eligible to join this plan the first day of the month following 90 days of employment. Employees can contribute up to 90% of their eligible earnings, subject to annual contribution limits set by the Internal Revenue Service. In 2015, we reinstated our matching contributions under the 401(k) plan.

Perquisites and Other Personal Benefits

We provide our named executive officers with limited perquisites and other personal benefits that are not otherwise available to all of our employees, including an annual executive physical examination and a car allowance. The Compensation Committee periodically reviews the levels of perquisites and other personal benefits provided to named executive officers to ensure that they are appropriately limited and effectively facilitate job performance. Perquisites and personal benefits are taken into account as part of the total compensation to executive officers.

Table of Contents

Perquisites and other personal benefits for our named executive officers are set forth in the Summary Compensation Table, under the heading **All Other Compensation** and related footnotes on page 34 of this proxy statement.

Severance Arrangements

We have arrangements with our named executive officers to provide for payment and other benefits if such executive s employment is terminated under certain circumstances. We have entered into such arrangements in order to discourage these executives from voluntarily terminating their employment with us in order to accept other employment opportunities, and to provide assurances to these executives that they will be compensated if terminated by us without cause. The specific arrangements for each officer may differ, depending on the terms of the officer s employment agreement or whether such officer participates in one of our severance plans.

Severance Plan

As of the last day of fiscal 2016, each of our named executive officers, other than the DSS CEO and the Chief Procurement Officer, participated in the Cott Corporation Severance and Non-Competition Plan (the **Severance Plan**), which we implemented in 2009. Subject to certain exceptions, the Severance Plan defines the entitlements for these executives upon a qualified termination of employment and replaces all previous termination and severance entitlements to which they may have been entitled. The Severance Plan and entitlements under such plan are described in more detail under the heading **Potential Payments Upon Termination or Change of Control Severance Plan** on page 44 of this proxy statement.

Other Severance Payments

Neither the DSS CEO nor the Chief Procurement Officer participates in a severance plan. Their entitlements under a qualified termination of employment as of such date were governed by their respective employment letter agreements. The terms of these arrangements are described in more detail under the heading **Potential Payments Upon Termination or Change of Control Payments to Other Named Executive Officers** on page 46 of this proxy statement.

Treatment of Equity Awards upon Termination or Change of Control

Our Amended and Restated Equity Plan (see **Equity Compensation Plan Information** on page 48 of this proxy statement) contains provisions triggered by a change of control of Cott, thus providing assurances to our named executive officers and employees that their equity investment in Cott will not be lost in the event of the sale, liquidation, dissolution or other change of control of Cott. These terms provide for the acceleration of equity awards in limited circumstances, namely, when the awards (1) are not continued, assumed, or replaced by the surviving or successor entity or (2) are so assumed, but where a named executive officer or employee is involuntarily terminated for reasons other than Cause, or terminates his or her employment for Good Reason (as such capitalized terms are defined in the Amended and Restated Equity Plan), within two years after the change of control.

Additionally, our Amended and Restated Equity Plan contains provisions triggered when a named executive officer or employee retires, is terminated without Cause or resigns with Good Reason. The Amended and Restated Equity Plan provides for different vesting terms depending on the type of award. Performance-based awards, restricted shares and restricted share units contemplate partial vesting after termination based on the length of employment relative to the performance or vesting period. Options contemplate accelerated vesting, generally on the employment termination date.

A more detailed discussion of payments in connection with a termination or change of control is set forth under **Potential Payments Upon Termination or Change of Control** on page 42 of this proxy statement.

Share Ownership Guidelines

The board of directors has established minimum share ownership requirements for the Chief Executive Officer, Chief Financial Officer, all other executive officers, and certain other employees. Under these requirements, the Chief Executive Officer must own common shares having a minimum aggregate value equal to four times his annual base salary. The Chief Financial Officer must own common shares having a minimum aggregate value equal to two times his annual base salary. Other direct reports must own common shares having a minimum aggregate value equal to one and a half times his or her annual base salary. The Compensation Committee or the board of directors may, from time to time, reevaluate and revise these guidelines to give effect to changes in Cott s common share price, capitalization, or changes in the base salary or the title of the above mentioned persons.

The value of shares owned by each of the above persons necessary to maintain compliance with the guidelines is recalculated on an annual basis on December 31 of each year. Compliance with the requirements is measured by the General Counsel on December 31 of each year and reported to the Compensation Committee. Individuals are expected to monitor their own compliance throughout the year. Individuals subject to the guidelines are not required to attain the minimum ownership level by a particular deadline; however, until the guideline amount is achieved, the CEO is required to retain an amount equal to 100% of net shares received as equity compensation, and each other named executive officer is required to retain an amount equal to 75% of the net shares received as equity compensation. Once an individual achieves the applicable ownership guideline, he or she will be considered in compliance, regardless of any changes in base salary (except for promotional increases) or the price of Cott common shares, so long as he or she continues to own at least the number of Cott common shares owned at the time he or she achieved the applicable guideline. Net shares are defined as those shares that remain after shares are sold or netted to pay the exercise price of stock options (if applicable) and taxes payable upon the grant of a stock payment or the vesting of restricted shares, restricted share units, performance shares, performance share units or the exercise of stock options or stock appreciation rights. Shares purchased on the open market may be sold in compliance with Cott s policies and applicable securities laws. Failure to meet or to show sustained progress toward meeting the guidelines may be a factor considered by the Compensation Committee in determining future long-term incentive equity grants to such persons. These requirements are designed to ensure that the economic interests of senior management correlate with the value of our stock and are thus closely aligned with the interests of Cott s shareowners.

Employee Share Purchase Plan

Our board of directors has adopted the Cott Corporation Employee Share Purchase Plan (the **ESPP**), which was approved by our shareowners in May 2015 and became effective as of October 1, 2015. The purpose of the ESPP is to provide eligible employees of Cott and our designated subsidiaries with an opportunity to acquire an ownership interest in us through the purchase of our common shares through payroll deductions at a discounted price. Eligible employees may purchase common shares at a price equal to 90% of the lower of the closing price of common shares on the NYSE on the first and last day of the offering period. We believe the ESPP further aligns the interests of our employees and shareowners and aids in the recruitment and retention of employees.

Insider Trading Restrictions and Policy Against Hedging

Our insider trading policy prohibits directors, officers, employees and consultants of Cott and certain of their family members from purchasing or selling any type of security, whether issued by us or another company, while such person is aware of material non-public information relating to the issuer of the security or from providing such material non-public information to any person who may trade while aware of such information. Trades by directors, executive officers and certain other employees are prohibited during certain prescribed blackout periods and are required to be pre-cleared by our Vice President, General Counsel and Secretary, subject to limited exceptions for approved Rule 10b5-1 plans. This policy prohibits directors, officers, employees

Table of Contents

and consultants of Cott from engaging in short sales with respect to our securities, trading in put or call options, or engaging in hedging or monetization transactions, such as zero-cost collars and forward sale contracts, with respect to our securities. This policy also prohibits employees and directors, including the named executive officers, from holding Cott securities in a margin account or pledging Cott securities as collateral for a loan.

Policy Regarding Clawback of Incentive Compensation

Our board of directors has adopted a clawback policy that allows the board to recoup any excess annual or long-term incentive compensation paid to our current and former executive officers in the event of a required accounting restatement of a financial statement of Cott, whether or not based on misconduct, due to material non-compliance with any financial reporting requirement under the securities laws of the United States. The clawback policy is intended to reduce potential risks associated with our incentive plans, and thus better align the long-term interests of our named executive officers and shareowners.

We believe that the clawback policy is sufficiently broad to reduce the potential risk that an executive officer would intentionally misstate results in order to benefit under an incentive program and provides a right of recovery in the event that an executive officer took actions that, in hindsight, should not have been rewarded.

Risk Management Considerations

The Compensation Committee believes that Cott s performance-based cash bonus and long-term incentive plans provide incentives for our executives and other employees to create long-term shareowner value. Several elements of the program are designed to promote the creation of long-term value and thereby discourage behavior that leads to excessive risk:

- The base salary portion of compensation is designed to provide a steady income regardless of Cott s performance so that executives do not feel pressured to focus on achievement of certain performance goals at the expense of other aspects of Cott s business.

- The performance goals used to determine the amount of an executive s bonus are measures that the Compensation Committee believes drive long-term shareowner value. The Compensation Committee attempts to set ranges for these measures that promote success without encouraging excessive risk-taking to achieve short-term results.

- The measures used to determine whether performance-based restricted share units vest are based on performance over a three-year period. The Compensation Committee believes that the three-year measurement period reinforces the link between incentives and long-term Company performance, and the performance cycles overlap to reduce any incentive to maximize performance in a particular period at the expense of another.

- Cash bonuses are capped at 200% of target. Similarly, vesting for performance-based restricted share units is capped at 200% of target.

- The equity awarded to our named executive officers is a mix of performance-based restricted share units, time-based restricted share units and stock options. The Compensation Committee believes that this mix avoids having a relatively high percentage of compensation tied to one element, and that the time-based restricted share units and stock options should reduce risky behavior because these awards are designed to retain employees and because they are earned over time.

- Compensation is balanced between short-term and long-term compensation, creating diverse time horizons.

The Compensation Committee believes that linking performance and the corresponding payout factor mitigates risk by avoiding situations where a relatively small amount of increased performance results in a relatively high corresponding amount of increased compensation.

Table of Contents

- Named executive officers are required to hold a certain amount of Cott shares, which aligns their interests with those of our shareowners.
- We have implemented accounting policies and internal controls over the measurement and calculation of performance goals.
- We have implemented a clawback policy, which is intended to reduce potential risks associated with our incentive plans, and thus better align the long-term interests of our named executive officers and shareowners.
- We have a no-hedging policy that prohibits employees from engaging in any hedging or monetization transactions, such as zero-cost collars and forward sale contracts, with respect to Cott securities.
- We have a policy prohibiting employees from engaging in any short-term, speculative transactions involving Cott securities, including purchasing securities on margin, engaging in short sales, buying or selling put or call options, and trading in options.
- We have a policy prohibiting employees from holding Cott securities in a margin account or pledging Cott securities as collateral for a loan.
- The Compensation Committee approves our short-term and long-term incentive compensation programs, which mitigates risk by empowering a group of independent directors with substantial experience and expertise.
- The Compensation Committee has engaged an outside, independent compensation consultant who is knowledgeable regarding various compensation policies and their associated risks and is free from any conflict of interest.

The Compensation Committee has reviewed Cott s compensation policies and practices for its employees and determined that the risks arising from those policies and practices are not reasonably likely to have a material adverse effect on Cott.

Tax and Accounting Implications

When determining amounts of long-term incentive grants to executives and employees, the Compensation Committee considers the accounting cost associated with the grants. Under FASB ASC Topic 718, Share-based Payments, grants of equity-classified awards result in compensation expense for Cott. The Compensation Committee considers the accounting and tax treatment accorded to equity awards and takes steps to ensure that any issues are addressed by management; however, such treatment has not been a significant factor in establishing Cott s compensation programs or in the decisions of the Compensation Committee concerning the amount or type of equity award.

As part of its role, the Compensation Committee reviews and considers the deductibility of executive compensation under Section 162(m) of the U.S. Internal Revenue Code of 1986, as amended (the **Code**), which includes potential limitations on the deductibility of compensation in excess of $1 million paid to our Chief Executive Officer and three other most highly compensated executive officers (other than our principal financial officer) serving on the last day of the year. Our Amended and Restated Equity Plan is intended to provide for the deductibility of payments under Cott s annual performance bonus plan and with respect to stock options and performance-based restricted share units, whenever possible. We generally intend to continue to take the necessary actions to maintain the deductibility of compensation resulting from these types of awards. In contrast, time-based restricted share units generally do not qualify as performance-based compensation under Section 162(m). Therefore, the vesting of time-based restricted share units in some cases could result in a loss of tax deductibility of compensation. While we view preserving tax deductibility as an important objective, we believe the primary purpose of our compensation program is to support our strategy and the long-term interests of our shareowners. In specific instances we have authorized, and in the future may authorize, compensation arrangements that are not fully tax deductible but that promote other important objectives of Cott and of our executive compensation program.

33

Table of Contents

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards[1][2] ($)	Option/ SAR Awards[2][3] ($)	Non-Equity Incentive Plan Compensation[4] ($)	All Other Compensation ($)	Total ($)	Total Excluding Grants in 2017 Annual Grant Cycle (see footnote 2) ($)
Jerry Fowden	2016	900,000		4,687,500	2,812,500	729,000	22,794[5]	9,151,794	5,151,794
Chief Executive Officer (PEO)	2015	837,500		1,500,000	900,000	954,750	16,938	4,209,188	4,209,188
	2014	800,000		1,375,000	825,000	818,400	17,638	3,836,038	3,836,038
Jay Wells	2016	431,200		1,737,500	1,042,500	261,954	19,866[6]	3,493,020	2,953,020
Chief Financial Officer (PFO)	2015	391,515		337,500	202,500	335,160	14,955	1,281,630	1,281,630
	2014	350,000	75,000	337,500	202,500	268,538	13,500	1,247,038	1,247,038
Thomas Harrington	2016	774,663		1,312,500	787,500		22,200[7]	2,896,863	1,496,863
President Services / Chief	2015	759,014	250,000			457,406	21,687	1,488,107	1,488,107
Executive Officer DS Services of America, Inc.	2014[8]	28,846		5,000,000				5,028,846	5,028,846
Marni Morgan Poe	2016	370,847		1,062,500	637,500	225,290	15,525[9]	2,311,662	1,886,662
Vice President, General Counsel and	2015	352,939		265,625	159,375	301,976	13,500	1,093,415	1,093,415
Secretary	2014	331,632	75,000	265,625	159,375	254,445	14,477	1,100,554	1,100,554
Carlos Baila Chief Procurement Officer and Chief Operations Officer North America Business Unit	2016[10]	351,498		437,500	262,500	142,550	21,663[11]	1,215,711	865,711

(1) Stock awards made in 2016 were time-based and performance-based restricted share units granted under the Amended and Restated Equity Plan. The amounts reported in this column for 2016 reflect the aggregate grant date fair values for time-based and performance-based restricted share units computed in accordance with FASB ASC Topic 718 (**ASC 718**), excluding the effect of estimated forfeitures. The assumptions used for the valuations are set forth in Note 7 to our audited consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016. As noted in further detail in Footnote 2, these amounts include awards granted in the 2016 annual grant cycle, awards granted to certain named executive officers in August 2016, and awards granted in connection with the 2017 annual grant cycle in December 2016, as applicable. Assuming achievement of the highest level of performance for these awards, the grant date fair values of awards subject to performance conditions would have been as follows: Mr. Fowden: $5,625,000; Mr. Wells: $2,085,000; Mr. Harrington: $1,575,000; Ms. Poe: $1,275,000; and Mr. Baila: $525,000.

(2) The amounts reported in this column include (i) awards granted in connection with the 2016 annual grant cycle to each of our named executive officers (other than the DSS CEO), (ii) awards granted to our Chief Financial Officer, Vice President, General Counsel and Secretary, and DSS CEO in August 2016 for the reasons noted above, and (iii) awards granted in connection with the 2017 annual grant cycle in December 2016. As noted above, to encourage executive rentention, the Compensation Committee determined to approve equity awards for the 2017 annual grant cycle at its December 2016 meeting and expects to approve the annual grant cycle equity awards in December each year going forward. The table below sets forth the grant date fair values for each of these awards.

34

Table of Contents

Name	Grant Cycle	Time-Based RSUs ($)	Performance-Based RSUs ($)	Stock Awards ($)	Options ($)
Mr. Fowden	2017	1,000,000	1,500,000	2,500,000	1,500,000
	2016	875,000	1,312,500	2,187,500	1,312,500
Total				4,687,500	2,812,500
Mr. Wells	2017	135,000	202,500	337,500	202,500
	2016*	175,000	262,500	437,500	262,500
	2016	385,000	577,500	962,500	577,500
Total				1,737,500	1,042,500
Mr. Harrington	2017	350,000	525,000	875,000	525,000
	2016**	175,000	262,500	437,500	262,500
Total				1,312,500	787,500
Ms. Poe	2017	106,250	159,375	265,625	159,375
	2016*	175,000	262,500	437,500	262,500
	2016	143,750	215,625	359,375	215,625
Total				1,062,500	637,500
Mr. Baila	2017	87,500	131,250	218,750	131,250
	2016	87,500	131,250	218,750	131,250
Total				437,500	262,500

* Represents an equity award granted in August 2016 in recognition of efforts on the acquisitions of Eden Springs and S&D Coffee and to align total compensation more closely with our market median range.

** Represents an equity award granted in August 2016 in recognition of increased oversight responsibilities over the newly acquired S&D and Eden Springs businesses. Mr. Harrington did not receive a grant in February 2016 during the 2016 annual grant cycle.

(3) The values of option awards reflect the grant date fair values, as computed in accordance with ASC 718. The assumptions used for the valuations are set forth in Note 7 to our audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2016.

(4) The amounts under the Non-Equity Incentive Plan Compensation column reflect amounts earned under Cott s annual performance bonus plan.

(5) Includes a car allowance of $16,000, an annual medical exam and 401(k) match of $6,048.

(6) Includes a car allowance of $13,500, 401(k) match of $4,341, and a phone allowance of $2,025.

(7) Includes a car allowance of $14,400 and a 401(k) match of $7,800.

(8) Mr. Harrington did not serve a full year because he became an executive officer of Cott during that fiscal year.

(9) Includes a car allowance of $13,500 and a phone allowance of $2,025.

(10) Mr. Baila was not a named executive officer in 2014 or 2015.

(11) Includes a car allowance of $13,500, an annual medical exam, 401(k) match of $4,348 and a phone allowance of $2,025.

Named Executive Officer Employment Agreements

Each of our named executive officers has a written employment agreement or offer letter setting forth the material terms of his or her employment. Under these employment agreements or offer letters, these executives receive annual base salaries at rates not less than the amounts reported in the Summary Compensation Table for 2016, which may be adjusted from time to time. Each of these agreements provides for:

- eligibility to earn bonuses based upon the achievement of agreed-upon criteria established from time to time by the Compensation Committee; and

- customary allowances and limited perquisites.

Each of the named executive officers employed by Cott as of the end of 2016 participates in both short-term and long-term incentive programs provided by us. The level of participation is determined by the Compensation Committee and varies by named executive officer. Each of our named executive officers is bound by restrictive

Table of Contents

covenants that generally limit their ability to compete with us in any countries in which we conduct business. They have also agreed to non-solicitation and nondisparagement covenants. These limitations continue during the term of employment and for a period of time following termination (regardless of the cause of the termination).

Potential severance payments in the event of termination or change of control of Cott for each named executive officer, as applicable, are described more particularly below under the heading **Potential Payments Upon Termination or Change of Control** on page 42 of this proxy statement.

Jerry Fowden Employment Agreement

In February 2009, we entered into an employment letter agreement with Jerry Fowden to serve as our Chief Executive Officer. The agreement has an indefinite term and provides for an annual base salary, which was increased to $900,000 in 2016, and a car allowance. Mr. Fowden is eligible to participate in our annual performance bonus plan, and since 2011 his annual bonus target has been 100% of his base salary.

Mr. Fowden is also eligible to participate in all of our long-term incentive plans made available from time to time to our senior executives at the discretion of the Compensation Committee, including the Amended and Restated Equity Plan. The grants to Mr. Fowden under the Amended and Restated Equity Plan are set forth in the **Grants of Plan-Based Awards in Fiscal 2016** Table on page 38 of this proxy statement.

Mr. Fowden participates in the Severance Plan, pursuant to which he is subject to standard confidentiality undertakings and non-disparagement covenants that survive the termination of his employment, regardless of the cause of the termination. He is also subject to a non-competition covenant that generally limits his ability to compete with us in any countries in which we conduct business, as well as a non-solicitation covenant. These limitations continue during the term of employment and for a period of one year following termination, regardless of the cause of the termination.

Jay Wells Employment Agreement

In January 2012, we entered into an offer letter agreement with Jay Wells to serve as our Chief Financial Officer. The agreement has an indefinite term and provides for an annual base salary, which was increased to $431,200 in 2016, and a car allowance. Mr. Wells is eligible to participate in our annual performance bonus plan with an annual target bonus equal to 75% of his base salary.

Mr. Wells is also eligible to participate in our benefit plans made available to our employees and senior executives, as well as our long-term incentive plans at the discretion of the Compensation Committee, including the Amended and Restated Equity Plan. The grants to Mr. Wells under the Amended and Restated Equity Plan are set forth in the **Grants of Plan-Based Awards in Fiscal 2016** Table on page 38 of this proxy statement.

Mr. Wells participates in the Severance Plan, pursuant to which he is subject to standard confidentiality undertakings and non-disparagement covenants that survive the termination of his employment, regardless of the cause of the termination. He is also subject to a non-competition covenant that generally limits his ability to compete with us in any countries in which we conduct business, as well as a non-solicitation covenant. These limitations continue during the term of employment and for a period of nine months following termination, regardless of the cause of the termination.

Thomas Harrington Employment Agreement

On December 16, 2014, we entered into an amended and restated employment agreement with Thomas Harrington, which amended and restated his prior employment agreement with DSS, to serve as the Chief Executive Officer of DSS. The agreement has an indefinite term and provides for an annual base salary, which was increased to $784,125 in 2016, and a car allowance. Under the terms of his employment agreement, Mr. Harrington received in 2014 a grant of performance-based restricted share units with a grant date fair value of $5,000,000, which vests based upon the achievement of a specific level of DSS EBITDA (weighted 60%), DSS revenue (weighted 20%) and net cooler rental activity (weighted 20%) over the three-year period ending at

Table of Contents

the end of fiscal 2017. Additionally, the terms of Mr. Harrington s agreement provide for a retention bonus equal to one year of base salary, one-third of which was paid on December 16, 2015, with the remaining amount payable on December 16, 2017. Mr. Harrington is eligible to participate in our annual performance bonus plan with an annual target bonus equal to 100% of his base salary.

Mr. Harrington is also eligible to participate in benefit plans made available to DSS employees and senior executives, as well as our long-term incentive plans at the discretion of the Compensation Committee, including the Amended and Restated Equity Plan. The grants to Mr. Harrington under the Amended and Restated Equity Plan are set forth in the **Grants of Plan-Based Awards in Fiscal 2016** Table on page 38 of this proxy statement.

Mr. Harrington is subject to a restrictive covenant that generally limits his ability to compete with us in any countries in which we conduct business, as well as a non-solicitation covenant. These limitations continue during the term of employment and for a period of twelve months following termination, regardless of the cause of the termination.

Marni Morgan Poe Employment Agreement

In January 2010, we entered into an offer letter agreement with Marni Morgan Poe to serve as our Vice President, General Counsel. The agreement has an indefinite term and provides for an annual base salary, which was increased to $370,847 in 2016, and a car allowance. Ms. Poe is eligible to participate in our annual performance bonus plan, and since 2012 her annual bonus target has been 75% of her base salary.

Ms. Poe is also eligible to participate in our benefit plans made available to our employees and senior executives, as well as our long-term incentive plans at the discretion of the Compensation Committee, including the Amended and Restated Equity Plan. The grants to Ms. Poe under the Amended and Restated Equity Plan are set forth in the **Grants of Plan-Based Awards in Fiscal 2016** Table on page 38 of this proxy statement.

Ms. Poe participates in the Severance Plan, pursuant to which she is subject to standard confidentiality undertakings and non-disparagement covenants that survive the termination of her employment, regardless of the cause of the termination. She is also subject to a non-competition covenant that generally limits her ability to compete with us in any countries in which we conduct business, as well as a non-solicitation covenant. These limitations continue during the term of employment and for a period of six months following termination, regardless of the cause of the termination.

Carlos Baila Employment Agreement

In September 2012, we entered into an offer letter agreement with Carlos Baila to serve as our Chief Procurement Officer. The agreement has an indefinite term and provides for an annual base salary, which was increased to $360,000 in 2016, and a car allowance. Mr. Baila is eligible to participate in our annual performance bonus plan with an annual target bonus equal to 50% of his base salary.

Mr. Baila is also eligible to participate in our benefit plans made available to our employees and senior executives, as well as our long-term incentive plans at the discretion of the Compensation Committee, including the Amended and Restated Equity Plan. The grants to Mr. Baila under the Amended and Restated Equity Plan are set forth in the **Grants of Plan-Based Awards in Fiscal 2016** Table on page 38 of this proxy statement.

Mr. Baila is subject to a restrictive covenant that generally limits his ability to compete with us in any countries in which we conduct business, as well as a non-solicitation covenant. These limitations continue during the term of employment and for a period of nine months following termination, regardless of the cause of the termination.

Table of Contents

Grants of Plan-Based Awards in Fiscal 2016

The following table sets forth information with respect to performance-based restricted share units, time-based restricted share units and stock options granted under the Amended and Restated Equity Plan during the year ended December 31, 2016 to each of our named executive officers, as well as the range of possible cash payouts to each of our named executive officers under our annual performance bonus plan for achievement of specified levels of performance in fiscal 2016.

Name	Grant Date	Board Approval Date	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 Units[3] (#)	All Other Option Awards: Number of Securities Underlying Options[4] (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock Awards and Options[5] ($)
			Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)				
Jerry Fowden			449,808	899,615	1,799,230							
	2/19/2016	2/16/2016				46,792	116,979	233,958				1,312,500
	2/19/2016	2/16/2016							77,986			875,000
	2/19/2016	2/16/2016								449,486	11.22	1,312,500
	12/6/2016	12/6/2016				57,692	144,230	288,460				1,500,000
	12/6/2016	12/6/2016							96,153			1,000,000
	12/6/2016	12/6/2016								583,657	10.40	1,500,000
Jay Wells			161,474	322,948	645,895							
	2/19/2016	2/16/2016				20,588	51,471	102,942				577,500
	2/19/2016	2/16/2016							34,314			385,000
	2/19/2016	2/16/2016								197,774	11.22	577,500
	8/11/2016	8/2/2016				6,180	15,450	30,900				262,500
	8/11/2016	8/2/2016							10,300			175,000
	8/11/2016	8/2/2016								57,947	16.99	262,500
	12/6/2016	12/6/2016				7,788	19,471	38,942				202,500
	12/6/2016	12/6/2016							12,980			135,000
	12/6/2016	12/6/2016								78,793	10.40	202,500
Thomas Harrington			154,933	774,663	1,549,327							
	8/11/2016	8/2/2016				6,180	15,450	30,900				262,500
	8/11/2016	8/2/2016							10,300			175,000
	8/11/2016	8/2/2016								57,947	16.99	262,500
	12/6/2016	12/6/2016				20,192	50,480	100,960				525,000
	12/6/2016	12/6/2016							33,653			350,000
	12/6/2016	12/6/2016								204,280	10.40	525,000
Marni Morgan Poe			138,966	277,932	555,863							
	2/19/2016	2/16/2016				7,687	19,218	38,436				215,625
	2/19/2016	2/16/2016							12,812			143,750
	2/19/2016	2/16/2016								73,844	11.22	215,625
	8/11/2016	8/2/2016				6,180	15,450	30,900				262,500
	8/11/2016	8/2/2016							10,300			175,000
	8/11/2016	8/2/2016								57,947	16.99	262,500
	12/6/2016	12/6/2016				6,130	15,324	30,648				159,375
	12/6/2016	12/6/2016							10,216			106,250
	12/6/2016	12/6/2016										