Governance Practices Related to Executive Compensation

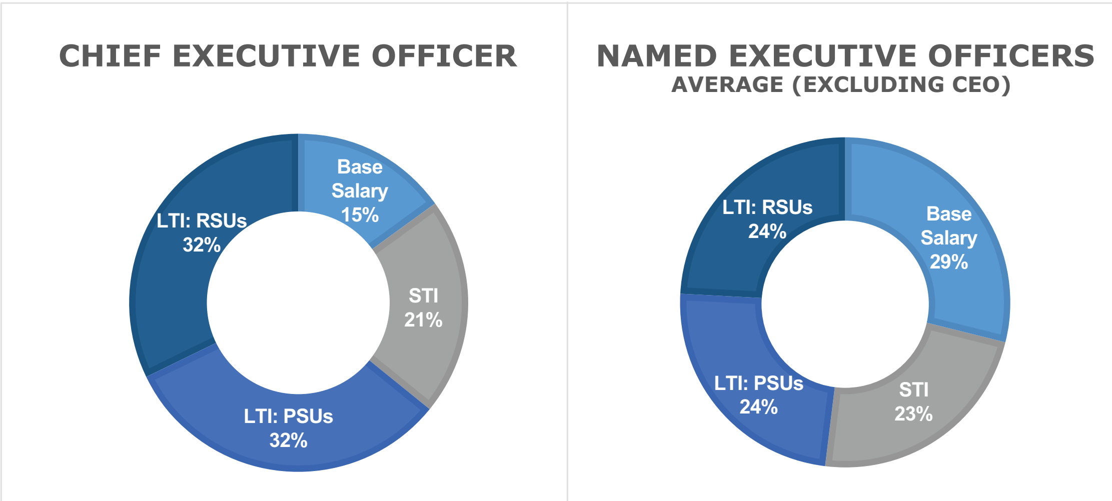
In addition to designing our compensation plans to achieve the objectives outlined above, the Compensation Committee seeks to employ corporate governance best practices to align the interests of our executives with the interests of our stockholders, as evidenced by the following compensation policies.

Clawback Policy	Our clawback policy is applicable to both our short-term and long-term incentive compensation plans and provides the Company with the right to recover all or part of an employee's cash or equity-based compensation award, or to cancel any equity-based compensation award granted on or after February 1, 2010, if there is any restatement of our audited financial statements resulting from such employee's fraud, intentional misconduct, gross negligence or other misfeasance or nonfeasance, which results in an employee's award being greater than the amount that should have been awarded, paid or accrued.
Stock Ownership Guidelines	Our stock ownership guidelines apply to our executive officers and require our CEO to own, at a minimum, common stock of the Company equal in value to five times his annual base salary and require our other executive officers to own, at a minimum, common stock of the Company equal in value to two times their annual base salaries.
No Tax Gross-Ups in Our Change in Control Agreements	None of the change in control agreements with our executive officers contain excise tax gross-up provisions.
Double-Trigger Provisions in Our Change in Control Agreements	We have entered into change in control agreements with each of our executive officers pursuant to which we would provide certain payments in the event of a qualified termination following a change in control (i.e. double-trigger) as described under the heading "Post-Termination Compensation – Change in Control Agreements."

Double-Trigger Provisions in Our Equity Plan	Our 2016 Stock Incentive Plan provides that awards will not automatically vest upon the occurrence of a change in control so long as they continue in effect on terms that are no less favorable than were applicable immediately prior to the change in control. However, such awards will vest in full if the Company or its successor terminates the employee's employment involuntarily (other than for cause) or constructively within 24 months after the change in control. If the awards will not continue in effect on terms which are at least as favorable as those that applied immediately prior to the change in control, whether because the acquiring entity decides not to provide appropriate substitute awards, or because the requisite conditions to preserve the existing terms of these awards are not met, the affected awards will vest in full, and generally become payable, upon the change in control.
Prohibition on Hedging and Other Derivative Activities	Our insider trading policy prohibits the hedging of our common stock and other securities or entering into other derivative transactions relating to our common stock and other securities by our directors, executive officers and other employees.
Prohibition on Pledges	Our insider trading policy prohibits pledges of our common stock and other securities by directors and executive officers. While the Chair of our Nominating/ Corporate Governance Committee, in consultation with our General Counsel, may grant an exception to the prohibition on pledging in certain extraordinary circumstances, no such exception has been granted.

NEO Pay Mix

Total potential compensation of our executive officers is substantially weighted toward performance-based short-term incentive (STI) and long-term incentive (LTI) programs. Our 2016 target total direct compensation (excluding any promotional, inducement or special incentive grants) for the NEOs was composed of the following:



Components of Our Executive Compensation and Benefits Programs

Base Salary

The base salary component of our compensation program is designed to attract and retain key talent and reward executive officers for their experience and contributions. The Compensation Committee targets the 60th percentile of the peer group for base salary because it positions the Company to effectively attract and retain valuable resources from key consumer packaged goods companies with whom we compete for talent. A competitive base salary is also critical because, unlike a number of our peer companies, our executive officers are not eligible for defined benefit pension plans. Base salaries may be above or below this target for certain executive officers for a variety of reasons, including salary at a previous employer, internal promotions, or his or her unique talent and contributions.

The Compensation Committee reviews base salary annually and may make adjustments based on changes in the peer group, the performance of the Company and the individual, changes in job responsibility, or recommendations from the CEO for all executives except himself. The Compensation Committee separately reviews the performance of the CEO, as described below, and makes salary adjustments as warranted.

The table below discloses base salary for each NEO in 2016. During the Compensation Committee’s annual review of base salaries in 2016, the Compensation Committee determined that Mr. Tanner, Mr. Scozzafava, Mr. Bellairs and Ms. Warmbier would each receive an increase in his or her base salary in 2016 based on a review of market compensation, tenure, individual performance and Company performance.

Named Executive Officer	Fiscal Year 2016 Base Salary[1]	Salary Increase Over Previous Year[2]
Gregg A. Tanner	$1,130,000	4.6%
Ralph P. Scozzafava	$ 850,000	3.0%
Chris Bellairs	$ 580,000	16.0%
Brad Cashaw	$ 430,000	–[3]
Kimberly Warmbier	$ 432,000	8.0%

(1) Reflects annual base salary as of December 31, 2016. Actual base salary earned and paid during the fiscal year may differ due to the timing of increases. See ''Compensation Tables for Named Executive Officers – Summary Compensation Table.''

(2) With respect to Mr. Bellairs and Ms. Warmbier, includes increase of 12.5% and 4.5%, respectively, to bring base salary closer to market median.

(3) Mr. Cashaw joined the Company in March 2016.

Short-Term Incentive Compensation

The short-term incentive component of compensation is designed to motivate senior executives to achieve annual financial and other goals based on our short-term strategic, financial and operating performance objectives. In 2016, in connection with our review of our strategic and operating plans, we established STI payout targets competitive with the peer group for each NEO, the achievement of which is based on a combination of the Company's financial performance (75%) and individual objectives (25%) aligned with the executive's area of business responsibility.

The following are the 2016 annual STI target award opportunities for the NEOs approved by the Compensation Committee:

Named Executive Officer	2016 Annual STI Target as a % of Base Salary
Gregg A. Tanner	140%
Ralph Scozzafava	100%
Chris Bellairs	90%
Brad Cashaw	70%
Kimberly Warmbier	60%

Short-term incentive awards, if any, are calculated using the base salary of the NEO as of the last day of the year with any change to the NEO's target STI payout percentage being applied on a *pro rata* basis. In addition, to meet the requirements of the performance-based exception from the application of Section 162(m) of the Internal Revenue Code, the Compensation Committee established performance criteria for specified executive officers based on annual adjusted operating income that established a maximum STI amount that could be paid to such executive officers for performance during 2016.

Financial Objectives. The 2016 STI Plan placed 75% of the overall weight on the achievement of financial objectives, which is aligned with the market as defined by our peer group. The 2016 STI Plan used consolidated adjusted operating income as its key performance measure. In establishing the 2016 STI Plan, the Compensation Committee considered adjusted operating income an appropriate performance criterion to measure the achievement of the Company's objectives because it is representative of the profitability and operating efficiency of the Company as a whole.

In February 2017, the Compensation Committee assessed and approved the Company's performance against the financial goals established at the beginning of 2016. The target adjusted operating income for 2016 was $308.5 million (after giving effect to the June 2016 acquisition of Friendly's Ice Cream Holdings Corp. (''Friendly's'')), with threshold and maximum performance and payout levels as a percent of target for the financial objectives component of STI compensation as set forth below. The payout factor for the financial objectives component of STI compensation for each executive officer ranged on a sliding scale from 0% to 200% of that executive officer's financial objectives component target payment, depending on actual performance in 2016 against the financial objectives established by the Compensation Committee.

2016 Adjusted Operating Income (Non-GAAP*)% to Plan	Percentage of Target STI Award Opportunity Earned
110% +	200%
105%	150%
100%	100%
95%	50%
90%	0%

* ''Adjusted operating income'' is a non-GAAP measure. A full reconciliation of this measure calculated according to GAAP and on an adjusted basis is contained in *Annex A* to this Proxy Statement.

Our consolidated adjusted operating income for 2016 was $292.9 million, which was 94.9% of the $308.5 million target adjusted operating income for 2016 and resulted in an earned award of 49.4% of the target opportunity for the financial objectives component of STI compensation.

Individual Objectives. In addition to the financial performance measure described above, 25% of each NEO's STI payout under the 2016 STI Plan was based on individual objectives approved by the Compensation Committee. Our Compensation Committee determined that Messrs. Tanner, Scozzafava, Bellairs, and Cashaw and Ms. Warmbier met or exceeded their individual objectives for 2016.

The payout factor for the individual objective component of STI compensation ranged from 0% to 200% of that executive officer's individual objective target payment, depending on the executive officer's performance in 2016 against the individual objectives approved by the Compensation Committee. Performance was measured against each executive officer's leadership and execution of strategic and organizational objectives established at the beginning of 2016. An overview of key objectives for each NEO is set forth below.

Name	Individual Objectives
Gregg A. Tanner	• Improved adjusted EPS and adjusted operating income by 28% and 18%, respectively; reduced capital spend by $15.9 million from 2015 • Continued to strengthen the balance sheet and return value to stockholders via a 29% increase in our dividend and a $25 million share buyback • Developed strategy and response to address expected private label volume loss in Midwest • Supported M&A and strategic partnership efforts, including the successful acquisition and integration of Friendly's and other strategic partnerships • Executed a Purpose engagement plan and hosted five events to highlight Company and local philanthropic efforts • Developed and aligned Board around ELT succession plans
Ralph P. Scozzafava	• Increased manufacturing and distribution capabilities, including through the startup of the St. George and Hammond facilities as well as the development of National Warehouse • Onboarded national broker to improve sales capability • Improved pricing discipline and capability, including processes to assure price pass-through efficiency • Supported M&A and strategic partnership activity, including the acquisition and successful integration of Friendly's, the joint venture with Organic Valley and other strategic partnerships • Participated in investor conference, meetings with analysts and other events to facilitate CEO succession/transition • Implemented cost initiatives to address expected private label volume loss in Midwest • Initiated an organization effectiveness effort to focus resources on strategic initiatives and eliminate less productive resources

Name	Individual Objectives
Chris Bellairs	• Achieved 8% reduction in voluntary turnover from 2015 • Continued to strengthen balance sheet by extending our liquidity to more than $800 million; ended year with a leverage of less than 1.90x • Returned value to stockholders through a 29% increase in our dividend and $25 million of share repurchases • Amended and extended our receivables securitization facility and revolving credit facility to increase accessible liquidity, allow a more flexible covenant structure and reduce fees and interest expense • Developed tools and processes, such as pricing and tracking tools, to aid in forecasting and analysis • Led development of long shelf life and cultured strategies and supported expansion of ESL capacity and transaction activity
Brad Cashaw	• Leveraged continuous improvement resources to drive cost improvement • Developed new manufacturing capabilities at Lynn, MA (ESL), St. George, UT (ice cream), and Rockford, IL (sour cream) • Piloted two mixing centers and aligned our other distribution sites to improve go-to-market capabilities and optimize costs • Implemented a robust quality action plan and a ''call to action'' across the system; improved quality indexes and metrics versus prior year • Developed 3-year Supply Chain strategy to deliver operational improvements and long-term productivity savings
Kimberly Warmbier	• Launched first employee engagement survey • Developed and obtained Board and stockholder approval of 2016 Stock Incentive Plan • Rolled out two new cost effective training modules in Change Management and Leading for Impact • Identified and heightened priority to address voluntary turnover and put processes and data in place to help reduce voluntary turnover for the entire organization • Minimized benefit costs through educating and driving consumerism into our health and welfare plans • Integrated employees from transaction activity and other operations and addressed three facility closures without incident • Sponsored, led, and drove the organizational effectiveness (manpower) study in our commercial organization

With respect to the individual objective component of the 2016 STI Plan, the Compensation Committee determined that Messrs. Tanner, Scozzafava, Bellairs and Cashaw would receive a ''solid performance'' rating and Ms. Warmbier would receive an ''exceeds expectations'' rating with respect to their individual objectives described above. Pursuant to the 2016 STI Plan, payout for a "solid performance" rating ranges from 70% to 100% of that portion of the STI payout and payout for an "exceeds expectations" rating ranges from 105% to 130% of that portion of the STI payout.

The following table shows the STI payout targets for fiscal year 2016 and the actual payouts for each NEO based on the achievement of financial objectives and individual objectives, as approved by the Compensation Committee:

Named Executive Officer	2016 Annual STI Target as a % of Base Salary	2016 STI Target Payouts ($)	2016 STI Actual Payout – Financial Objectives ($)	2016 STI Actual Payout – Individual Objectives ($)	2016 STI Total Actual Payout ($)
Gregg A. Tanner	140%	1,582,000	586,131	336,175	922,306
Ralph P. Scozzafava	100%	850,000	314,925	159,375	474,300
Chris Bellairs	90%	522,000	193,401	110,925	304,326
Brad Cashaw(1)	70%	250,833	92,934	53,302	146,236
Kimberly Warmbier	60%	259,200	96,034	77,760	173,794

(1) Mr. Cashaw joined the Company in March 2016; his STI payout was prorated for 10 months of service.

Long-Term Incentive Compensation

We believe that a significant portion of each executive officer's compensation should depend on long-term value created for our stockholders. Our long-term incentive compensation program, which is administered under the 2016 Plan, is designed to align the results achieved for stockholders with the rewards provided to our executive officers. In 2016, the Compensation Committee granted the following mix of awards to the NEOs: 50% of LTI compensation was in the form of RSUs and 50% of LTI compensation was in the form of PSUs. The Compensation Committee annually reviews market practices and trends, as well as the availability of shares in our incentive program, in determining the mix of awards.

Awards in 2016 were granted at the dollar amount representing the 50th percentile of LTI grants made to executive officers with similar positions in our peer group.

Restricted Stock Units (RSUs). An RSU represents the right to receive one share of our common stock in the future. RSUs are used to provide an ongoing retention element and a continuing link to stockholder value. Annual RSU awards are valued based on the Company's closing stock price on the day the Compensation Committee approves the grant. Generally, RSUs granted by the Compensation Committee vest ratably over three years, and employment as of the vesting date is required in order to qualify for receipt of the vested portion of the award. All RSU awards granted in 2016 provide for cash dividend equivalents, which will vest on the same schedule as the corresponding RSU awards.

Performance Stock Units (PSUs) and Cash Performance Units (CPUs). PSUs and CPUs are designed to link compensation to the Company's performance over a 3-year period. Each PSU represents the right to receive one share of the Company's common stock, and each CPU represents the right to receive a cash payment for the target value of the CPU established at the time of grant, subject to the achievement of certain performance targets during the Performance Cycle (the "Performance Cycle," and each year thereof, an "Annual Performance Period").

The Compensation Committee annually establishes performance goals for PSUs and CPUs for each year in the Performance Cycle at the beginning of each Annual Performance Period. The Committee will annually select Bank EBITDA or decide on a different performance measure for each Annual Performance Period. Both CPUs and PSUs accrue ratably for each Annual Performance Period (one-third of the CPU or PSU award) based on achieving the performance goals established by the Compensation Committee for such Annual Performance Period. Accrued portions of these awards cliff vest and are settled in stock or cash, as applicable, at the end of the Performance Cycle, and to receive a payout of the CPU or PSU award, the participant must remain employed by the Company through the end of the applicable Performance Cycle.

During 2016, the Committee determined that in 2016 NEOs would receive PSUs rather than CPUs as part of our long-term incentive compensation program. The Committee selected PSUs based on a review of market practice, and determined that PSUs provided a greater incentive than CPUs to align the interests of our executive officers with the long-term interests of our stockholders.

The Committee also reviewed current market practice, with the assistance of Mercer, and determined to continue to use the performance metric of Bank EBITDA for 2016. Bank EBITDA is generally defined as earnings before interest, taxes, depreciation and amortization, as adjusted to exclude certain non-cash and non-recurring costs and expenses plus certain non-cash and non-recurring or extraordinary expenses as permitted in calculating covenant compliance under our credit agreement. Bank EBITDA is further described in *Annex A* to this Proxy Statement.

The Compensation Committee believes Bank EBITDA is the appropriate measurement for long-term performance. The Committee considered using a relative metric based on peer companies, such as "Total Shareholder Return," but could not identify an adequate number of sufficiently similar publicly traded companies (based on critical factors such as size, geographic scope, mix of products, impact of dairy commodities, and other factors) to have a meaningful peer group against which to compare performance. Additionally, the Compensation Committee was presented with insufficient evidence that the inclusion of such a relative metric in the long-term compensation programs of other public companies has led to the improved financial performance of those companies.

With respect to the PSUs granted in 2016 (the "2016-2018 PSUs") and the CPUs granted in 2014 and 2015 (respectively, the "2014 CPUs" and "2015 CPUs"), the target Bank EBITDA for the 2016 Annual Performance Period was $472.8 million, with threshold and maximum performance payout levels as a percentage of target on a sliding scale as follows:

2016 Bank EBITDA % to Target	Percentage of Target CPU/PSU Award Opportunity Earned
120%	200%
110%	150%
100%	100%
90%	50%
80%	0%

In February 2017, the Compensation Committee determined that the Bank EBITDA achieved by the Company during the 2016 Annual Performance Period was $463.6 million, which was 98.1% of the target Bank EBITDA for that performance period and resulted in a 90.5% of target accrual for the 2016 Annual Performance Period. Accordingly, one-third of the value of the 2014 CPUs, one-third of the value of the 2015 CPUs, and one-third of the 2016-2018 PSUs has been accrued at 90.5% of target.

The 3-year Performance Cycle for the 2014 CPUs was completed, and all accrued CPUs vested, on December 31, 2016, and accrued amounts were distributed in March 2017.

Deferred Compensation Plan and Supplemental Executive Retirement Plan

Our current NEOs may defer a portion of their salary and STI compensation each year into the Company's non-qualified deferred compensation plan. We believe a deferred compensation plan is a potential retention tool for our eligible executives, and that this plan is similar to that offered at most companies in our peer group. For more information on amounts deferred pursuant to the deferred compensation plan, see ''Compensation Tables for Named Executive Officers – Deferred Compensation Plan.''

In addition, we maintain the Dean Foods Company Supplemental Executive Retirement Plan (the ''SERP''), which is a nonqualified deferred compensation arrangement for our executive officers and other employees earning compensation in excess of the maximum compensation that can be taken into account with respect to our 401(k) plan, as set forth in the Internal Revenue Code. The SERP is designed to provide these employees with retirement benefits from the Company that are equivalent, as a percentage of total compensation, to the benefits provided to other employees under our 401(k) plan. The Company credits to each eligible employee's account an amount equal to 4% of his or her covered compensation in excess of the maximum described above, and, through April 30, 2015, credited interest on those balances at the mid-term applicable federal rate set by the Internal Revenue Service, plus 1%. Since May 1, 2015, the SERP accounts are administered by Fidelity Workplace Services, LLC, which allows each participant to manage investment decisions with respect to his or her SERP account balances. Each employee's plan balance will be paid to him or her upon termination of employment, a change in control or the employee's death or qualifying disability.

Under both the Deferred Compensation Plan and the SERP, upon a termination that is not in connection with a change in control, death or disability, specified employees (including the NEOs) must wait until the seventh month following termination before they are eligible to receive a distribution.

Other Compensation

We provide our executive officers with a limited number of perquisites. The perquisites include:

- an annual executive physical exam;
- a long-term disability benefit;
- financial counseling;
- occasional personal use of event tickets that would not otherwise be used for business purposes; and
- personal use of the company aircraft (CEO only).

The perquisites are designed to minimize the amount of time the executive officers devote to administrative matters other than the Company's business, promote a healthy work/life balance and provide opportunities for developing business relationships.

Our senior executives, including our current NEOs, are eligible to participate in the Company's broad-based programs generally available to all employees or other key employees, including our 401(k) plan, health and dental plans and various other insurance plans, including disability and life insurance. For additional information regarding perquisites and other compensation, see ''Compensation Tables for Named Executive Officers – All Other Compensation.''

How Executive Pay Levels Are Determined

Compensation Committee

The Compensation Committee oversees the design and administration of our executive compensation programs and evaluates these programs against competitive practices, legal and regulatory developments and corporate governance trends. As part of its processes and procedures for determining executive compensation, the Compensation Committee:

- reviews and approves the compensation-related performance goals and other objectives for our CEO and recommends CEO compensation to the independent members of the Board based on performance;
- reviews and approves, with input from the CEO, the compensation of the Company's executives officers (other than the CEO);
- reviews and establishes the peer group companies used as a reference to benchmark executive officer compensation;
- reviews and approves the executive compensation policies, such as share ownership guidelines and prohibitions against pledging and hedging of the Company's stock;
- sets the specific performance targets for performance-based incentive awards to our executive officers; and
- approves payouts based on performance achieved relative to the pre-established performance targets.

Independent External Consultant

The Compensation Committee has engaged Mercer as its independent external advisor. The Compensation Committee considers analysis and advice from Mercer when making compensation decisions and recommendations for the CEO and the executive officers, and when making decisions on incentive plan design. Mercer provides recommendations on CEO pay directly to the Compensation Committee without consulting with the CEO or management. The Compensation Committee has the sole authority to hire and terminate Mercer, and the Compensation Committee members have direct access to Mercer.

Role of Management

The Compensation Committee and independent members of the Board of Directors determine the compensation of the CEO without management input. The Compensation Committee meets with the CEO at the beginning of the year to discuss and establish his performance objectives for the year. After the end of the year, the CEO provides the Compensation Committee with a self-assessment based on his performance and achievement of the pre-established objectives. This self-assessment, in addition to Company performance, is used by the Compensation Committee in its overall determination of CEO compensation.

The Compensation Committee solicits input from the CEO regarding his evaluation of performance and compensation recommendations for other executive officers, before it makes final pay decisions related to the executive officers' compensation. No executive officer is present when his or her compensation is discussed by the Compensation Committee.

Peer Group

The Compensation Committee utilizes a comparison group, or peer group, to evaluate whether executive officer pay levels are aligned with Company performance on a relative basis and to compare the Company's compensation design and governance features. The Compensation Committee primarily identifies companies that are of comparable size, operate within the Company's industry category, have product lines that are impacted by commodity prices and/or generate the majority of their revenue domestically. The Compensation Committee used the following group of 18 peer companies for 2016, which was unchanged from 2015:

2016 Compensation Peer Group	
Campbell Soup Company	Ingredion Incorporated
The Clorox Company	The J. M. Smucker Company
ConAgra Foods, Inc.	Kellogg Company
Dr Pepper Snapple Group, Inc.	McCormick & Company, Incorporated
Flowers Foods, Inc.	Pilgrim's Pride Corporation
Fresh Del Monte Produce Inc.	Pinnacle Foods Inc.
General Mills, Inc.	Post Holdings, Inc.
The Hershey Company	Sanderson Farms, Inc.
Hormel Foods Corporation	TreeHouse Foods, Inc.

Agreements with Named Executive Officers

Letter Agreements

In general, we enter into letter agreements with each of our executive officers that govern the terms of his or her employment. Such letter agreements generally state the executive's base salary, signing bonus, if any, annual STI compensation opportunity, LTI awards to be granted upon hire or in the future, if applicable, and any other benefits, such as relocation benefits, COBRA reimbursement, and eligibility to participate in the Executive Severance Plan.

Change in Control Agreements and Severance

We have entered into Change in Control Agreements ("CIC Agreements") with each of our executive officers pursuant to which we would provide certain payments in the event of a qualified termination following a change in control (i.e. double-trigger) as described under the heading "Post-Termination Compensation – Change in Control Agreements." Pursuant to these agreements, our current NEOs generally would be paid cash equal to up to three times his or her base salary and target STI compensation for the year, plus his or her target STI compensation prorated to the month in which a qualified termination occurred following a change in control along with insurance benefits, outplacement services and certain other benefits. As of December 31, 2016, none of our NEOs were entitled to receive excise tax gross-up payments pursuant to their respective CIC Agreements. Additionally, all CIC Agreements provide that unvested awards under the 1997 Plan and 2007 Plan made prior to

December 31, 2014 automatically vest upon a change in control, and all awards made after December 31, 2014 under the 2007 Plan and all awards made under the 2016 Plan are subject to double trigger equity acceleration provisions, unless awards are not assumed by the successor entity, in which case awards will vest upon a change in control. The CIC Agreements contain a covenant pursuant to which the NEO has agreed not to compete with us or solicit any of our customers or employees or interfere with our customer relationships, for two years following his or her termination and that he or she would keep the Company's proprietary information confidential.

The Compensation Committee believes that change in control benefits are important for attracting and retaining executive talent and help to ensure that executive officers can remain focused during periods of uncertainty. These are particularly important in an environment where merger and acquisition activity is high. We believe that our change in control benefits are generally consistent with those maintained by comparable companies.

We also maintain the Executive Severance Plan for our executive officers, which provides certain severance benefits in the event of a qualified termination defined as a termination other than for ''cause'' or if the executive officer terminates his or her employment due to a material reduction in compensation or scope of duties or relocation (as described under ''Post-Termination Compensation – Executive Severance Plan'').

Generally, upon a qualified termination, each of our current NEOs would receive a cash payment equal to up to two times his or her annual base salary plus his or her target STI compensation, a payment in the amount of the officer's STI compensation prorated for the year of termination, a cash payment for the in-the-money value of any LTI awards that would vest during a specified period following the date of severance (24 months for EVPs and 36 months for the CEO), and cash payments for certain health benefits and outplacement services. We believe this plan helps create stability during periods of significant change, aids in recruiting and retaining executive talent and enables us to avoid negotiating individual severance arrangements. We also believe this plan reduces the likelihood and extent of litigation from executive separation. In addition, we require each executive to sign non-competition and non-solicitation agreements effective for two years after termination and to release the Company from all claims. We believe that our severance benefits are generally consistent with those maintained by comparable companies.

Tax Deductibility Policy and Accounting Treatment Considerations

The United States income tax laws generally limit the deductibility of compensation paid to each NEO to $1 million per year. An exception to this general rule exists under Section 162(m) of the Internal Revenue Code for performance-based compensation that meets certain requirements. The Company has sought and received approval from its stockholders to grant performance-based awards that would, and has granted certain LTI awards that should, qualify for the exception from this deduction limit. As and when appropriate in light of its business objectives, the Company intends to design incentive compensation awards and programs in a manner that satisfies the conditions to this performance-based exception to the otherwise applicable deduction limits. The Company has structured its annual short-term and long-term performance-based incentive plans so that each should qualify for the exception.

Although deductibility of compensation is preferred, tax deductibility is not a primary objective of our compensation programs. We believe it is important to retain the flexibility to compensate executive officers competitively. We will continue to monitor our compensation practices and consider additional opportunities to take advantage of the Section 162(m) exception when we believe it is in the best interests of the Company and our stockholders.

The Company considers the financial accounting effects of the LTI awards it grants to our executives, but such effects do not materially impact the types of awards that are granted as part of our compensation program.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with our management. Based on this review and discussion, the Compensation Committee recommended to our Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

This report is presented by:

The members of the Compensation Committee

Jim L. Turner (Chairman)
J. Wayne Mailloux
Helen E. McCluskey
John R. Muse

COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

The charts presented below should be read in conjunction with the Compensation Discussion and Analysis set forth above.

Summary Compensation Table

The following chart shows the compensation earned during fiscal years 2016, 2015, and 2014, as applicable, by our NEOs. The table reflects the titles and offices held by the NEO as of December 31, 2016.

NEOs - Name and Principal Position	Year	Salary ($)(1)	Stock Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	All Other Compensation ($)(4)	Total ($)(5)
Gregg A. Tanner(6)	2016	1,130,000	3,796,944	1,977,385	15,532,743(6)	22,437,072
CEO	2015	1,080,000	1,851,753	6,520,066	95,477	9,547,296
	2014	1,000,000	1,909,483	195,000	83,630	3,188,113
Ralph P. Scozzafava(7)(8)	2016	850,000	1,266,659	832,529	985,349	3,934,537
EVP, Chief Operating Officer	2015	825,000	820,736	2,400,416	89,963	4,136,115
Chris Bellairs	2016	580,000	766,662	530,576	63,107	1,940,345
EVP, CFO	2015	500,000	323,978	1,672,082	32,899	2,528,959
	2014	465,000	770,662	148,825	33,698	1,418,185
Brad Cashaw(8)(9)	2016	343,674	359,977	146,236	499,278	1,349,165
EVP, Supply Chain						
Kimberly Warmbier	2016	432,000	366,664	328,398	60,006	1,187,068
EVP, Chief Human	2015	400,000	226,773	959,666	39,867	1,626,306
Resource Officer	2014	375,000	578,772	120,000	34,068	1,107,840

(1) Amounts shown include amounts deferred under the Dean Foods 401(k) plan and the Deferred Compensation Plan.

(2) Amounts shown reflect the aggregate grant date fair value of RSUs and PSUs, calculated in accordance with FASB ASC Topic 718, without taking into account estimated forfeitures. The assumptions used in valuing the equity awards are described in Note 10 to the Consolidated Financial Statements included within our Annual Report on Form 10-K for the year ended December 31, 2016.

The aggregate grant date fair value of the RSUs is equal to the closing price of the Company's stock on the date of grant multiplied by the number of RSUs awarded. Each RSU award vests ratably over three years. Mr. Tanner's RSUs include grants made in connection with his employment letter agreement entered into in 2007. See "Compensation Tables for Named Executive Officers—Letter Agreements—Agreements with Gregg A. Tanner" for more information regarding these grants.

The aggregate grant date fair value of the PSUs is based on our estimate on the grant date of the probable outcome of meeting the performance conditions of these awards. PSUs are deemed granted on the date the Compensation Committee establishes the related performance target for such award or portion of such award. In February 2016, the Compensation Committee established performance targets related to PSUs eligible to accrue with respect to the 2016 Annual Performance Period. Accordingly, this column reflects the grant date fair value for one-third of the 2016-2018 PSU award, the portion which is related to the 2016 Annual Performance Period. As indicated prior, the 2016-2018 PSUs will accrue ratably based on achieving the annual performance goals over the Performance Cycle and will cliff vest and settle at the end of the Performance Cycle in 2018, subject to employment at time of vesting. The value of PSUs reported in this column assumes a future payout at the target level and may not represent the amounts that the NEOs will actually realize from the awards. Whether, and to what extent, an NEO realizes value will depend on our actual performance results and the NEO's continued employment through vesting.

Assuming the highest level of performance is achieved for the PSUs reported in this column (200% of target), the aggregate grant date fair value of these PSUs would have been as follows: Mr. Tanner, $1,566,670; Mr. Scozzafava, $633,329; Mr. Bellairs, $383,331; Mr. Cashaw, $179,988; and Ms. Warmbier, $183,332.

For additional information on grant date fair value and estimated future payouts of stock awards, see the ''Grants of Plan-Based Awards in Fiscal Year 2016'' table below, and to see the total amount of the 2016-2018 PSUs, see the ''Outstanding Equity Awards at 2016 Fiscal Year-End'' table below.

(3) Amounts include STI compensation and the portion of the 2014 CPUs and 2015 CPUs that has been accrued in 2016 based on the achievement of the applicable performance criteria for the 2016 Annual Performance Period. No CPUs were awarded to NEOs in 2016. The 2014 CPUs and 2015 CPUs are subject to a 3-year Performance Cycle ending on December 31 of 2016 and 2017, respectively. As noted in the CD&A above, the 3-year Performance Cycle for the 2014 CPUs has been completed and accrued amounts paid in March 2017 and two-thirds of the Performance Cycle for the 2015 CPUs has been completed, with values having accrued as follows:

Accruals for Annual Performance Periods % of target based on the Company's performance against Bank EBITDA as of the end of each Annual Performance Period				
Award	***Performance Cycles***			
	2014	*2015*	*2016*	*2017*
2014 CPU	0%	200%	90.5%	
2015 CPU		200%	90.5%	*
**Not yet completed*				

The following table reflects STI earned in 2016 and, regarding the 2014 CPUs and 2015 CPUs, the amount accrued in 2016 attributable to the Annual Performance Period ended on December 31, 2016:

Name	**STI ($)**	**CPUs ($)**	**Total ($)**
Gregg A. Tanner	922,306	1,055,079	1,977,385
Ralph P. Scozzafava	474,300	358,229	832,529
Chris Bellairs	304,326	226,250	530,576
Brad Cashaw	146,236	0	146,236
Kimberly Warmbier	173,794	154,604	328,398

No payments will be made with respect to the 2015 CPUs until the related 3-year Performance Cycle has concluded and the participant has remained employed by the Company through the end of the related Performance Cycle. See ''Compensation Discussion and Analysis – Components of our Executive Compensation and Benefits Programs – Short-Term Incentive Compensation'' and ''– Long-Term Incentive Compensation'' for a description of these plans.

(4) See the ''All Other Compensation'' table below for a description of the included amounts.

(5) Represents the sum of the compensation amounts (expressed in dollars) shown in the columns to the left.

(6) Effective December 31, 2016, Mr. Tanner was removed from his position as the Company's CEO. He will continue in an advisory capacity as an employee of the Company through the Annual

Stockholders Meeting in May 2017. In connection with his removal as CEO, Mr. Tanner is entitled to severance payments for a termination without ''cause'' under the Executive Severance Plan with the Company. The amount reflected in Mr. Tanner's 2016 ''All Other Compensation'' includes accrued severance payable to Mr. Tanner following his last day of employment with the Company in accordance with the Executive Severance Plan with the Company.

(7) Mr. Scozzafava was not a NEO in 2014 and Mr. Cashaw was not a NEO in 2014 and 2015. Thus, no amounts have been included for those respective years in the table above.

(8) Mr. Scozzafava became the CEO of the Company effective January 1, 2017.

(9) Mr. Cashaw joined the Company in March 2016.

All Other Compensation[1]

Name	Year	401(k) ($)[2]	SERP ($)[3]	Life Insurance Premiums ($)[4]	Long-Term Disability Premiums ($)[5]	Relocation ($)[6]	Severance ($)[7]	Other ($)[8]	Total ($)
Gregg A. Tanner . . .	2016	10,600	152,536	8,751	6,545	–	15,328,694	25,617	15,532,743
	2015	10,600	40,400	7,482	5,781	–	–	31,214	95,477
	2014	10,400	37,192	5,440	5,781	–	–	24,817	83,630
Ralph P. Scozzafava .	2016	10,600	87,750	2,376	4,848	857,157	–	22,618	985,349
	2015	10,600	24,000	5,160	–	30,211	–	19,992	89,963
Chris Bellairs . .	2016	7,305	48,150	1,485	3,030	–	–	3,137	63,107
	2015	10,600	11,353	3,341	–	–	–	7,605	32,899
	2014	10,400	10,101	1,787	4,277	–	–	7,133	33,698
Brad Cashaw . .	2016	8,744	6,600	745	710	474,429	–	8,050	499,278
Kimberly Warmbier . .	2016	10,600	25,400	1,188	2,424	–	–	20,394	60,006
	2015	10,600	7,200	1,415	–	–	–	20,652	39,867
	2014	3,750	5,914	1,415	3,719	–	–	19,270	34,068

(1) The amounts in the table are valued on the basis of the aggregate incremental cost to the Company. The amounts do not include group health, hospitalization, medical reimbursement, disability or other benefits that are available to all other employees, or the incremental cost of any health-related screenings.

(2) Amounts shown are for Company matching contributions.

(3) Our Compensation Committee approved a SERP for the benefit of employees who receive salary and bonus (including STI compensation) in excess of the amount that IRS regulations allow to be contributed to a 401(k) plan. The amount shown in this column includes the amount credited to the NEO under the SERP. See ''Compensation Discussion and Analysis – Components of our Executive Compensation and Benefits Programs – Deferred Compensation Plan and Supplemental Executive Retirement Plan'' for more information on the SERP.

(4) Amounts shown relate to life insurance policies.

(5) Amounts reflect premiums paid by the Company pursuant to an executive long-term disability program for our executive officers and other key employees, which provides supplemental income replacement for key leaders and enhances coverage provided under the general long-term disability plan. This supplement to our group disability coverage is provided at the Company's expense through individual non-cancelable and guaranteed renewable policies.

(6) Relocation costs are the aggregate incremental cost paid by us for the NEO's relocation and includes tax gross-up amounts in accordance with our relocation policy. Amounts presented for Mr. Cashaw include a tax gross-up of $197,563 for 2016 and, with respect to Mr. Scozzafava, include a tax gross-up of $353,951 for 2016.

(7) Effective December 31, 2016, Mr. Tanner was removed from his position as the CEO of the Company. He will continue in an advisory capacity as an employee of the Company through the Annual Stockholders Meeting in May 2017. The amount shown in this column reflects the accrued amount as of December 31, 2016 of severance payable to Mr. Tanner in connection with his removal as CEO, which is treated as a termination without ''cause'' under the Executive Severance Plan with the Company. These amounts assume a target payout for the 2017 and 2018 Performance Cycles related to his outstanding performance-based awards. The actual value of the early vesting of the LTI awards will be determined and paid following the last day of his employment with the Company.

(8) For 2016, includes (i) for Mr. Tanner, $1,500 for employer contribution to employee's health savings account and gross-up amounts of $10,117 for taxes payable related to financial counseling services of $14,000; (ii) for Mr. Bellairs, $1,500 for employer contribution to employee's health savings account and gross-up amounts of $687 for taxes payable related to financial counseling services of $950; (iii) for Mr. Cashaw, $583 for employer contribution to employee's health savings account and gross-up amounts of $2,042 for taxes payable related to financial counseling services of $5,425; (iv) for Mr. Scozzafava, $1,000 for employer contribution to employee's health savings account and gross-up amounts of $7,618 for taxes payable related to financial counseling services of $14,000; and (v) for Ms. Warmbier, $1,500 for employer contribution to employee's health savings account and gross-up amounts of $5,167 for taxes payable related to financial counseling services of $13,727.

Grants of Plan-Based Awards in Fiscal Year 2016

The following table presents all plan-based awards granted to our NEOs during 2016.

Name	Grant 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] (#)	Grant Date Fair Value of Stock Awards[4] ($)
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)		
Gregg A. Tanner		–	1,582,000	3,164,000					
	02/26/2016				–	121,825	243,650	121,825	3,133,339
	12/01/2016[5]							34,653	663,605
Ralph P. Scozzafava		–	850,000	1,700,000					
	02/26/2016				–	49,248	98,496	49,248	1,266,659
Chris Bellairs		–	522,000	1,044,000					
	02/26/2016				–	29,808	59,616	29,808	766,662
Brad Cashaw		–	250,833	501,667					
	04/01/2016[6]				–	15,552	31,104	15,552	359,977
Kimberly Warmbier		–	259,200	518,400					
	02/26/2016				–	14,256	28,512	14,256	366,664

(1) The amounts shown were not actually paid to the Named Executive Officers. Rather, the amounts shown reflect potential STI payments under the 2016 STI Plan. Actual payment amounts are shown in the ''Summary Compensation Table'' above in the column ''Non-Equity Incentive Plan Compensation.''

(2) The amounts shown reflect the values of the threshold, target and maximum potential number of PSUs that can be earned for each grant of a PSU award. That portion of a PSU award attributable to an Annual Performance Period (one-third of the total PSU award) is deemed granted on the date the Compensation Committee establishes the performance target for such Annual Performance Period. The number of PSUs actually earned can range from 0% to 200% of the PSUs originally granted, depending on our performance during the applicable Annual Performance Periods, and accrued portions, if any, for each of the three Annual Performance Periods will cliff vest at the end of the 3-year Performance Cycle.

(3) Consists of RSUs granted pursuant to our 2007 Plan for awards granted prior to May 2016, and pursuant to our 2016 Plan for awards granted thereafter. RSUs vest ratably over three years following the grant date.

(4) Amounts shown reflect the aggregate grant date fair value of the RSUs and the target number of PSUs granted in 2016 (one-third of the 2016-2018 PSUs), calculated in accordance with FASB ASC Topic 718, without taking into account estimated forfeitures. The assumptions used in valuing the equity awards are described in Note 10 to the Consolidated Financial Statements included within our Annual Report on Form 10-K for the year ended December 31, 2016.

(5) In 2016, Mr. Tanner was awarded 34,653 RSUs in connection with his employment agreement entered into in 2007. Pursuant to that agreement and a subsequent related award of additional RSUs, he was entitled to receive annual RSU awards from 2012 through 2016, contingent upon his continued employment with the Company. The awards, which were granted pursuant to our 2007 Plan and, following its adoption, our 2016 Plan, were made on December 1 of each award year and vest one year after grant. The Compensation Committee approved the awards on November 6, 2007 and on October 6, 2010. See ''Compensation Tables for Named Executive Officers – Letter Agreements – Agreements with Gregg A. Tanner'' for more information regarding these awards.

(6) RSUs awarded to Mr. Cashaw on April 1, 2016, were approved by the Compensation Committee on February 26, 2016, as part of his compensation package.

Outstanding Equity Awards at 2016 Fiscal Year-End

The following table presents all outstanding equity awards held by our NEOs as of December 31, 2016. Numbers shown in the table include adjustments made in connection with the WhiteWave Spin-Off and the Reverse Stock Split. The table also includes, where applicable, the value of these awards based on the closing price of our common stock on the NYSE on December 31, 2016, which was $21.78 per share.

Name		Option Awards[1]			Stock Awards			
	Award Type	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested[2] (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Vested[3] (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that Have Not Vested ($)
Gregg Tanner	RSUs[4]	12/01/2016				34,653	754,742		
	RSUs	02/26/2016				121,825	2,653,349		
	2016-2018 PSUs	02/26/2016				36,751	800,437	81,217	1,768,906
	RSUs	02/16/2015				58,254	1,268,772		
	RSUs	02/13/2014				35,714	777,851		
	Options	02/17/2012	91,162	10.44	02/17/2022				
	Options	02/18/2011	63,102	8.96	02/18/2021				
	Options	02/12/2010	36,249	12.60	02/12/2020				
	Options	02/13/2009	69,307	17.36	02/13/2019				
	Options	01/15/2008	69,307	21.96	01/15/2018				
	Options	11/06/2007	249,539	23.08	11/06/2017				
TOTAL			578,666			287,197	6,255,151	81,217	1,768,906
Ralph P. Scozzafava	RSUs	02/26/2016				49,248	1,072,621		
	2016-2018 PSUs	02/26/2016				14,856	323,564	32,832	715,081
	RSUs	02/16/2015				33,796	736,077		
	RSUs	11/13/2014				5,675	123,602		
TOTAL			0			103,575	2,255,864	32,832	715,081
Chris Bellairs	RSUs	02/26/2016				29,808	649,218		
	2016-2018 PSUs	02/26/2016				8,992	195,846	19,872	432,812
	RSUs	02/16/2015				13,341	290,567		
	RSUs	11/12/2014				9,238	201,204		
	RSUs	02/13/2014				7,200	156,816		
	Options	02/17/2012	30,387	10.44	02/17/2022				
	Options	02/18/2011	14,986	8.96	02/18/2021				
	Options	02/12/2010	6,971	12.60	02/12/2020				
	Options	02/13/2009	9,818	17.36	02/13/2019				
	Options	07/01/2008	18,944	16.66	07/01/2018				
TOTAL			81,106			68,579	1,493,651	19,872	432,812
Brad Cashaw	RSUs	04/01/2016				15,552	338,723		
	2016-2018 PSUs	04/01/2016				4,692	102,192	10,368	225,815
TOTAL			0			20,244	440,915	10,368	225,815
Kimberly Warmbier	RSUs	02/26/2016				14,256	310,496		
	2016-2018 PSUs	02/26/2016				4,301	93,676	9,504	206,997
	RSUs	02/16/2015				9,338	203,382		
	RSUs	08/13/2014				7,906	172,193		
	RSUs	02/13/2014				4,800	104,544		
	Options	06/01/2012	16,068	13.30	06/01/2022				
TOTAL			16,068			40,601	884,291	9,504	206,997

(1) Stock option awards vested ratably over three years following the grant date.

(2) RSUs reported in this column vest ratably over three years following the grant date, unless otherwise noted. PSUs reported in this column vest following the end of the applicable Performance Cycle, subject to the NEO’s continued employment through the vesting date. For PSUs, the Compensation Committee sets performance targets for each Annual Performance Period at the beginning of such year and evaluates the actual performance levels achieved following the

end of such year. PSUs reported in this column reflect the accrued amounts that have been certified by the Compensation Committee following each Annual Performance Period.

(3) PSUs reported in this column vest following the end of the Performance Cycle, subject to satisfaction of the relevant performance targets and the NEO's continued employment through the vesting date. The number of PSUs shown assumes that target levels of performance will be achieved for each future Annual Performance Period. PSUs reported in this column reflect the remaining number of PSUs attributable to Annual Performance Periods for which the Compensation Committee has not yet established the performance targets. That portion of a PSU award attributable to an Annual Performance Period (one-third of the total PSU award) is deemed granted on the date the Compensation Committee establishes the performance target for such Annual Performance Period.

(4) These RSUs vest on the first anniversary of the grant date.

Option Exercises and Stock Vested in Fiscal Year 2016

The following table presents all stock awards vested and value realized upon vesting by our NEOs during 2016. Our NEOs did not exercise any stock options during 2016.

	Stock Awards	
Name	Number of Shares Acquired on Vesting[(1)] (#)	Value Realized on Vesting[(2)] ($)
Gregg A. Tanner	128,198	2,623,186
Ralph P. Scozzafava	22,573	458,602
Chris Bellairs	32,305	651,574
Brad Cashaw	–	–
Kimberly Warmbier	22,245	435,859

(1) All amounts are shown prior to the forfeiture of shares, if any, to cover taxes in connection with the vesting of awards.

(2) The value realized upon vesting is equal to the closing price of Dean Foods common stock on the vesting date multiplied by the number of units vesting.

Deferred Compensation Plan

U.S.-based employees of the Company with a base compensation in excess of $150,000, including the NEOs, may defer all or a portion of their salary and bonus (including STI compensation) each year into the Company's Deferred Compensation Plan, which is a tax deferred plan. The balances in the deferred compensation accounts are unsecured general obligations of the Company. This program is intended to promote retention by providing a long-term savings opportunity on a tax-efficient basis. Under the Deferred Compensation Plan, the Company contributes an annual restoration benefit to the plan account of any participant whose ability to receive Company contributions under the 401(k) plan is reduced due to their deferral of compensation. The Company made no such contributions to the plan accounts of the NEOs in 2016. Mr. Cashaw elected to defer compensation pursuant to this plan and has accumulated deferred compensation pursuant to the plan as set forth in the following table.

Non-Qualified Deferred Compensation

Name	Executive Contributions in Last FY ($)(1)	Registrant Contributions in Last FY ($)	Aggregate Earnings in Last FY ($)(2)	Aggregate Withdrawals / Distributions ($)	Aggregate Balance at Last FYE ($)(3)
Brad Cashaw	32,250	0	22	0	32,272

(1) Contributions made into the Deferred Compensation Plan by Mr. Cashaw in 2016 are reflected in the Salary and/or Bonus columns, as applicable, in the Summary Compensation Table on page 65 of this Proxy Statement.

(2) These amounts represent the earnings realized on the participant's account balances during 2016. Annual earnings realized on the participant's account balance are not reflected in the Summary Compensation Table on page 65 of this Proxy Statement.

(3) The aggregate balance in the table represents the cumulative contributions and earnings (net of any distributions) for the life-to-date period of the participant's Deferred Compensation Plan account.

Post-Termination Compensation

We maintain two severance plans for our U.S.-based executive officers, depending on the circumstances that result in their termination – CIC Agreements, which are applicable in the event of a qualifying termination following a change in control, and the Executive Severance Plan, which is applicable in the event of certain involuntary terminations. The following is a description of the benefits that may be paid to the executive officers pursuant to the CIC Agreements, the Executive Severance Plan and other agreements that provide for payments following termination of employment. An executive officer may not receive benefits under both plans.

Change in Control Agreements

We have entered into agreements with each of our NEOs, pursuant to which, in the event of a change in control and a subsequent qualifying termination (as defined below), we must:

- pay the NEO a lump sum of cash equal to three times the sum of his or her (a) annual base salary plus (b) target STI compensation for the year in which the termination occurs;
- pay the NEO his or her STI compensation prorated for the portion of the year served prior to termination (based on the greater of target or actual performance);
- pay the NEO three times the most recent annual Company match payable to his or her 401(k) account, plus;
- continue the NEO's insurance benefits for up to two years; and
- provide certain outplacement services.

In addition, all unvested awards granted prior to December 31, 2014, vest in full upon a change in control (as defined below), with all performance-based awards to be paid out in cash. Awards granted in 2015 and subsequent years will not automatically vest so long as the awards continue in effect on terms that are no less favorable than were applicable immediately prior to the change in control. With respect to unaccrued portions of CPU awards, the amount will be prorated based on the date of the change in control using that date as the performance measurement date. Unaccrued portions of PSU awards will vest at the greater of target or actual performance to the date of the change in control.

Pursuant to the CIC Agreements, a ''change in control'' means (1) any person becomes the ''beneficial owner,'' as such term is defined in the Exchange Act, directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities; (2) individuals who currently serve on the Board, or whose election to the Board or nomination for election to the Board was approved by a vote of at least two-thirds of the directors who either currently serve on the Board, or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority of the Board; (3) the Company or any subsidiary of the Company merges with or consolidates into any other corporation, other than a merger or consolidation that would result in the holders of the voting securities of the Company outstanding immediately prior thereto holding immediately thereafter securities representing more than 60% of the combined voting power of the voting securities of the Company or such surviving entity (or its ultimate parent, if applicable) outstanding immediately after such merger or consolidation; or (4) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, or such a plan is commenced.

Pursuant to the CIC Agreements, a qualifying termination means (i) a termination of employment by the Company or its successor without ''cause'' (as defined below), within 13 months following a change in control or (ii) by the executive officer with ''good reason'' (as defined below). Pursuant to the CIC Agreements, ''cause'' means the executive officer's: (i) willful and intentional material breach of the CIC Agreement, (ii) willful and intentional misconduct or gross negligence in the performance of, or willful neglect of, the executive officer's duties which has caused material injury (monetary or otherwise) to the Company, or (iii) conviction of, or plea of *nolo contendere* to a felony. Pursuant to the CIC Agreements, ''good reason'' means any of the following occurring prior to the first anniversary of a change in control: (1) (i) Any material reduction in the amount of the executive's annual pay, (ii) any material reduction in the amount of executive's other incentive compensation opportunities, or (iii) any significant reduction in the aggregate value of the executive's benefits as in effect from time to time (unless in the case of either (ii) or (iii), such reduction is pursuant to a general change in compensation or benefits applicable to all similarly situated employees of the Company and its affiliates); (2) (i) the removal of the executive from the executive's position of the ultimate parent of the business of the Company or (ii) any other significant reduction in the nature or status of the executive's duties or responsibilities; (3) transfer of the executive's principal place of employment to a metropolitan area other than that of the executive's place of employment immediately prior to the change in control; or (4) failure by the Company to obtain an assumption agreement prior to the effectiveness of any succession referred to therein.

The CIC Agreements also contain:

- a covenant pursuant to which the executives have agreed not to compete with us during the term of the executive's employment and for two years after termination;
- a confidentiality provision pursuant to which the executives have agreed not to divulge any of our confidential information; and
- agreements not to solicit any of our customers or employees during the term of the executive's employment and for two years after termination.

None of our NEOs had tax gross-up provisions in his or her CIC Agreements as of December 31, 2016.

Payments under the CIC Agreements are conditioned upon the execution of a release of claims by the executive.

Executive Severance Plan

The Executive Severance Plan provides severance benefits to certain designated officers, including the NEOs, who are involuntarily terminated, other than for cause (as defined below), or who voluntarily terminate their employment for good reason (as defined below). Generally, the executive officer will be entitled to receive (i) a payment in an amount up to two times (depending on the executive's title) the sum of his or her base salary and target STI compensation, plus (ii) a pro rata portion of his or her STI compensation (based on actual achievement of related performance criteria) for the fiscal year in which the termination occurs. A participant's right to receive benefits under the plan is conditioned on the execution of a release of claims and may be conditioned on other conditions as the plan administrator may deem necessary or appropriate. In addition, participants receive a cash payment for the in-the-money value of all outstanding and unvested LTI awards that would vest up to 36 months for the CEO and up to 24 months for executive vice president level participants, following the date of severance based on the average closing price of the Company's stock for 30 calendar days immediately following the date of severance; however, the unaccrued portion of cash-based awards and stock-based awards the payment of which is based upon the satisfaction of certain performance criteria will be valued based on the measurement of the performance criteria as of the end of the calendar year in which the date of severance occurs, unless otherwise expressly provided in the terms of the award. The participant would also be entitled to additional payments which may be used to pay COBRA health benefits and to obtain outplacement services.

Under the Executive Severance Plan, ''cause'' means: (i) the executive officer's conviction of any crime deemed by the Company to make the executive officer's continued employment untenable; (ii) the willful and intentional misconduct or negligence that has caused or could reasonably be expected to result in material injury to the business or reputation of the Company; (iii) the conviction of or plea of guilty or of *nolo contendere* to a crime constituting a felony; (iv) the breach by the executive officer of any written covenant or agreement with the Company; or (v) the executive officer's failure to comply with or breach of the Company's ''code of conduct'' from time to time. ''Good reason'' means a termination of a participant's employment by such participant following the occurrence of one or more of the following events: (i) a material reduction in the participant's annual base salary or target annual STI compensation opportunity (unless a similar reduction is applied broadly to similarly situated employees), (ii) a material reduction in the scope of a participant's duties and responsibilities, or (iii) the relocation of the participant's principal place of employment to a location that is more than 50 miles from such prior location of employment.

Benefits paid upon Death, Disability or Retirement

If employment terminates due to death, disability or retirement (as defined in the applicable award agreement) then (i) pursuant to the applicable award agreements, all unvested RSUs and Options vest in full as of the date of such termination and (ii) pursuant to the STI Plan the employee will receive his or her prorated STI compensation. The applicable award agreements provide that the participant is also entitled to receive a distribution of the CPUs and PSUs he or she earned with respect to (x) each already completed Annual Performance Period and (y) the Annual Performance Period in which the termination occurred, based on actual performance for such periods. Additionally, NEOs whose employment terminates due to death, disability or retirement receive their vested benefits under the SERP as well as contributions and accumulated earnings under the Deferred Compensation Plan.

Letter Agreements

Agreements with Gregg A. Tanner. On August 31, 2016, we entered into a letter agreement with Mr. Tanner in connection with his transition from CEO of the Company, effective December 31, 2016, to serving as Senior Management Advisor through the 2017 Annual Meeting of Stockholders. The letter agreement provides that Mr. Tanner will continue to receive his annual salary of $1,130,000, is eligible to participate in the Company's STI Plan during his employment, and will receive compensation and benefits pursuant to the Company's Executive Severance Plan following his termination of employment. Prior to that, on February 25, 2013, we entered into a letter agreement with Mr. Tanner relating to his service as CEO effective October 31, 2012, pursuant to which we agreed to pay him an initial annual salary of $1,000,000, which has since been reviewed annually by the Compensation Committee. Pursuant to a letter agreement dated October 23, 2007, Mr. Tanner was entitled to receive and has received five annual grants of RSUs each year from 2012 through 2016. The original grant was for a total of 25,000 RSUs, but this amount was subsequently adjusted for the WhiteWave Spin-Off and the Reverse Stock Split. He is entitled to receive these grants each year on December 1. Each of these grants vested or will vest one year after their issue date. Mr. Tanner must be employed by the Company on the date of issue in order to receive these annual grants of RSUs. In addition, on October 6, 2010, the Compensation Committee of the Board of Directors approved additional grants of RSUs, in connection with his 2007 letter agreement, to compensate Mr. Tanner for retirement benefits he surrendered upon accepting employment with the Company. He was entitled to and did receive these grants on December 1 of each year from 2010 through 2016. The original grant was for a total of 111,000 RSUs, but this amount was subsequently adjusted for the WhiteWave Spin-Off and the Reverse Stock Split. The 2010 and 2011 grants vested 11 months after their issue date, while each of the remaining grants vested or will vest one year after their issue date. The final grants related to the 2007 letter agreement were made on December 1, 2016.

Agreements with Chris Bellairs. On February 25, 2013, we entered into a letter agreement with Mr. Bellairs pursuant to which we appointed him to the position of Executive Vice President and CFO effective March 1, 2013. Pursuant to this letter agreement, we agreed to pay Mr. Bellairs an initial annual salary of $465,000, which has since been reviewed annually by the Compensation Committee, and granted Mr. Bellairs RSUs with an approximate value of $150,000 (which vested over a 3-year period) in connection with his promotion.

Agreements with Brad Cashaw. On February 10, 2016, we entered into a letter agreement with Mr. Cashaw pursuant to which we appointed him to the position of Executive Vice President, Supply Chain effective as of April 15, 2016. Pursuant to this letter agreement, we agreed to pay Mr. Cashaw an annual salary of $430,000 to be reviewed annually by the Compensation Committee. Mr. Cashaw received a one-time new hire LTI award of 5,184 RSUs and 15,552 PSUs. The letter agreement also provides that Mr. Cashaw is eligible to participate in the Company's STI Plan and is eligible to receive grants under the LTI program in such amounts as determined by the Company's Board of Directors or the Compensation Committee.

Agreements with Ralph P. Scozzafava. On August 31, 2016, we entered into a letter agreement with Mr. Scozzafava relating to his promotion to CEO effective January 1, 2017. Pursuant to the agreement, we agreed to pay Mr. Scozzafava an initial annual salary of $1,000,000, to be reviewed annually commencing in March 2018. The letter agreement provides that Mr. Scozzafava continues to be eligible to participate in the Company's STI Plan, with a target amount for 2017 equal to 125% of his 2017 base salary, and he continues to be eligible to receive grants under the LTI program in such amounts as determined by the Company's Board of Directors or the Compensation Committee, with a target value of $4,000,000 for 2017.

Agreements with Kimberly Warmbier. On February 25, 2013, we entered into a letter agreement with Ms. Warmbier pursuant to which we appointed her to the position of Executive Vice President, Chief Human Resources Officer effective as of October 31, 2012. Pursuant to this letter agreement, we agreed to pay Ms. Warmbier an initial annual salary of $375,000, which has since been reviewed annually by the Compensation Committee, and granted her RSUs with an approximate value of $50,000 (which vested over a 3-year period) in connection with her promotion.

Table of Potential Payments upon the Occurrence of Various Termination Events

The table below outlines the potential payments to our NEOs upon the occurrence of various termination events pursuant to our agreements with each executive. The following assumptions apply with respect to the table below and any termination of employment of a NEO:

- the tables are as of December 31, 2016;
- the tables include estimates of amounts that would have been paid to the NEOs assuming a termination event occurred on December 31, 2016. The employment of these NEOs did not actually terminate on December 31, 2016, and as a result, the NEOs did not receive any of the amounts shown in the tables below. The actual amounts to be paid to a NEO in connection with a termination event can only be determined at the time of such termination event;
- each NEO is entitled to receive amounts earned during the term of his or her employment regardless of the manner of termination. These amounts include accrued base salary, accrued vacation time and other employee benefits to which the NEO was entitled on the date of termination. These amounts are not shown in the tables below;
- unless otherwise indicated, for valuation purposes the table assumes that the price of a share of our common stock is $21.78 per share, the closing market price per share on the NYSE on December 31, 2016;
- the average closing price of our common stock measured over the 30 days immediately following December 31, 2016 is $20.65 per share and is used for calculating the value of RSUs and PSUs that are payable or vest pursuant to the Executive Severance Plan;
- for purposes of the tables below, the specific definitions of "cause" and "good reason" are described in "Post-Termination Compensation" beginning on page 72;

- to receive the benefits under the Executive Severance Plan or the CIC Agreements, each NEO is required to provide a general release of claims against us and our affiliates; and
- as discussed prior, with respect to the financial objectives component of STI and LTI compensation, achievement of performance for the 2016 Annual Performance Period was 94.9% of STI target and 98.1% of LTI target resulting in an earned award of 49.4% of target STI opportunity and accrual of 90.5% of target LTI opportunity for the 2016 Annual Performance Period.

Name	Compensation Element	Retirement ($)	Death ($)	Disability ($)	Change in Control ($)(1)	Termination Without Cause or Voluntary for Good Reason ($)(2)	Termination Without Cause or Voluntary for Good Reason Following CIC ($)(3)
Gregg A. Tanner	Lump Sum Cash Payments	—	—	—	—	5,424,000(4)	8,167,800(5)
	Prorated STI Award Payment	922,306	922,306	922,306	—	922,306(6)	1,582,000(6)
	Accelerated LTI Awards:						
	Options(7)	—	—	—	—	—	—
	RSUs(8)	5,537,933	5,537,933	5,537,933	5,537,933	5,254,929	5,537,933
	PSUs(9)	800,437	800,437	800,437	2,697,206	2,320,553	2,697,206
	CPUs(10)	3,386,745	3,386,745	3,386,745	3,386,745	3,880,725	3,386,745
	Outplacement Services and Insurance Coverage(11)	—	—	—	—	50,000	72,000
	TOTAL	10,647,421	10,647,421	10,647,421	11,621,884	17,852,513	21,443,684
Ralph P. Scozzafava	Lump Sum Cash Payments	—	—	—	—	3,400,000(4)	5,131,800(5)
	Prorated STI Award Payment	474,300	474,300	474,300	—	474,300(6)	850,000(6)
	Accelerated LTI Awards:						
	Options(7)	—	—	—	—	—	—
	RSUs(8)	1,390,677	1,390,677	1,390,677	1,390,677	971,624	1,390,677
	PSUs(9)	323,564	323,564	323,564	1,090,351	1,034,700	1,090,351
	CPUs(10)	1,149,895	1,149,895	1,149,895	1,149,895	1,436,479	1,149,895
	Outplacement Services and Insurance Coverage(11)	—	—	—	—	50,000	72,000
	TOTAL	3,338,436	3,338,436	3,338,436	3,630,923	7,367,103	9,684,723
Chris Bellairs	Lump Sum Cash Payments	—	—	—	—	2,204,000(4)	3,337,800(5)
	Prorated STI Award Payment	304,326	304,326	304,326	—	304,326(6)	522,000(6)
	Accelerated LTI Awards:						
	Options(7)	—	—	—	—	—	—
	RSUs(8)	1,317,074	1,317,074	1,317,074	1,317,074	1,044,562	1,317,074
	PSUs(9)	195,846	195,846	195,846	659,949	567,790	659,949
	CPUs(10)	726,250	726,250	726,250	726,250	839,375	726,250
	Outplacement Services and Insurance Coverage(11)	—	—	—	—	50,000	72,000
	TOTAL	2,543,496	2,543,496	2,543,496	2,703,273	5,010,053	6,635,073
Brad Cashaw	Lump Sum Cash Payments	—	—	—	—	1,462,000(4)	2,224,800(5)
	Prorated STI Award Payment	146,236	146,236	146,236	—	146,236(6)	301,000(6)
	Accelerated LTI Awards:						
	Options(7)	—	—	—	—	—	—
	RSUs(8)	342,922	342,922	342,922	342,922	218,298	342,922
	PSUs(9)	102,192	102,192	102,192	342,922	294,839	342,922
	CPUs(10)	—	—	—	—	—	—
	Outplacement Services and Insurance Coverage(11)	—	—	—	—	40,000	47,000
	TOTAL	591,350	591,350	591,350	685,844	2,161,373	3,258,644
Kimberly Warmbier	Lump Sum Cash Payments	—	—	—	—	1,382,400(4)	2,105,400(5)
	Prorated STI Award Payment	173,794	173,794	173,794	—	173,794(6)	259,200(6)
	Accelerated LTI Awards:						
	Options(7)	—	—	—	—	—	—
	RSUs(8)	801,722	801,722	801,722	801,722	662,575	801,722
	PSUs(9)	93,676	93,676	93,676	315,628	271,552	315,628
	CPUs(10)	496,270	496,270	496,270	496,270	575,457	496,270
	Outplacement Services and Insurance Coverage(11)	—	—	—	—	50,000	72,000
	TOTAL	1,565,462	1,565,462	1,565,462	1,613,620	3,115,778	4,050,220

(1) The amounts in this column are based on the assumption that the executive's employment continued after the change in control and reflect the full amount of the vesting or payout of all outstanding awards. Although this column reflects the vesting of all outstanding awards, awards granted in 2015 and subsequent would not automatically vest following a change in control in the event the awards continue in effect on terms that are no less favorable than were applicable immediately prior to the change in control.

(2) Reflects potential payments pursuant to the Executive Severance Plan.

(3) Reflects potential payments pursuant to the CIC Agreements.

(4) The amount shown represents a lump sum cash payment equal to two times the sum of the NEO's 2016 base salary plus target STI compensation for 2016.

(5) The amount shown represents a lump sum cash payment equal to the sum of (a) three times the sum of the NEO's 2016 base salary plus target STI compensation for 2016 and (b) three times the aggregate matching contributions payable to the NEO's 401(k) account for the most recent year.

(6) The amount shown represents a lump sum cash payment equal to the NEO's 2016 STI compensation prorated to the date of termination. Payment is based on actual performance, with respect to payments made under the Executive Severance Plan, and on the greater of target or actual performance with respect to payments made due to termination following a change in control.

(7) All options held by the NEOs were fully vested prior to December 31, 2016 and thus no amounts are reported.

(8) The amount shown represents the value of all unvested RSU awards and dividend equivalent units that vest under the occurrence of the specific event.

(9) The amount shown represents the value of all unvested PSU awards and dividend equivalent units that vest under the occurrence of the specific event.

(10) The amount shown represents a lump sum cash payment of CPU awards that vest under the occurrence of the specific event.

(11) The amount shown represents the amount of outplacement services and insurance coverage paid by the Company to which the NEO would be entitled for up to two years following the termination.

EQUITY COMPENSATION PLAN INFORMATION

Our equity compensation plans have been approved by our stockholders. The following table contains certain information about our plans as of December 31, 2016:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights ($) (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders . . .	3,263,571[(1)]	19.78	11,617,945[(2)]
Equity compensation plans not approved by security holders . . .	0		
Total	3,263,571	19.78	11,617,945

(1) Includes 1,224,742 shares reserved for issuance upon vesting of outstanding RSUs and PSUs (assuming payout for target performance). The weighted average exercise price reflected in column (b) does not take into account these RSUs and PSUs.

(2) Pursuant to the 2016 Plan, all awards are granted from a fungible share pool and each share subject to any Full Value Award (i.e., an award of restricted stock, RSUs, PSUs, and other stock based awards other than stock options and stock appreciation rights) that is granted from the pool of available shares counts against the 2016 Plan's share authorization as though two shares of our stock had been awarded. As of December 31, 2016, the number of securities remaining available for future issuances for Full Value Awards was 5,808,972.

OTHER INFORMATION

Committee Charters/Form 10-K

We believe the charters adopted by the Audit, Compensation and Nominating/Corporate Governance Committees comply with applicable corporate governance rules of the NYSE. These charters and a copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2016, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K, as filed with the SEC, are available on our Company website at *www.deanfoods.com*. Stockholders may also contact Investor Relations at 2711 North Haskell Avenue, Suite 3400, Dallas, Texas 75204 or at 800.431.9214 to obtain copies of the Committee charters or our Annual Report on Form 10-K without charge.

DEFINITIONS

1997 Plan**:** the Company's 1997 Stock Option and Restricted Stock Plan

2007 Plan**:** the Dean Foods Company 2007 Stock Incentive Plan, as amended

2016 Plan**:** the Dean Foods Company 2016 Stock Incentive Plan, approved by the stockholders at the 2016 Annual Meeting

2016 Annual Meeting of Stockholders or 2016 Annual Meeting**:** Dean Foods Annual Meeting of Stockholders held on May 11, 2016

2017 Annual Meeting of Stockholders or 2017 Annual Meeting**:** Dean Foods Annual Meeting of Stockholders to be held on May 10, 2017

2016 STI Plan**:** the 2016 Short-Term Incentive Compensation Plan

401(k) plan**:** the Dean Foods 401(k) plan

Abstentions**:** Proxies that are received but marked as ''abstained'' with respect to any one proposal or all proposals. Abstentions represent shares entitled to vote

Adjusted Operating Income**:** A non-GAAP measure, which differs from the corresponding GAAP measure by excluding charges related to facility closings and reorganization costs, gains and losses associated with divestitures and other strategic transactions, litigation settlement charges, the income tax impact for income from continuing operations before income tax adjustments, certain financing costs, and other non-recurring charges.

Alliance**:** Alliance Advisors, LLC, the Company's proxy solicitor. Representatives of Alliance will serve as the inspectors of election at the 2017 Annual Meeting

Annual Performance Period**:** A calendar year performance measurement period within a Performance Cycle for CPUs and PSUs for which the Compensation Committee establishes annual performance criteria.

Annual Report to Stockholders or 2016 Annual Report**:** Dean Foods' Annual Report to Stockholders for fiscal 2016

Bank EBITDA**:** generally defined with respect to the Company as adjusted operating income plus depreciation and amortization plus all non-cash expenses as determined under the Company's revolving credit facilities

Beneficial Owner**:** you are a beneficial owner if, on the Record Date, your shares were held in an account at a broker, bank or other nominee; your broker, bank or other nominee is the Stockholder of Record of such shares

Board or Board of Directors**:** the Board of Directors of Dean Foods Company

Board Committees**:** the Audit Committee, the Compensation Committee, the Executive Committee and the Nominating/Corporate Governance Committee

Broker Non-Vote**:** a ''Broker Non-Vote'' occurs when a broker, bank or other nominee holding shares for a Beneficial Owner does not vote on a particular proposal because that holder does not have discretionary voting power for that particular proposal and has not received instructions from the Beneficial Owner

Bylaws**:** the Amended and Restated Bylaws of Dean Foods, effective as of May 15, 2014

CD&A**:** the Compensation Discussion and Analysis included in this Proxy Statement

CEO**:** Chief Executive Officer of the Company

CFO**:** Chief Financial Officer of the Company

CIC Agreement**:** a Change-in-Control Agreement with the Company

Code**:** Internal Revenue Code of 1986, as amended

CPU**:** cash performance unit, a form of LTI compensation. For award features, see page 57

Dean Foods, our Company, the Company, ''we,'' ''our'' or ''us:'' Dean Foods Company, a Delaware corporation, and, where the context requires, its consolidated subsidiaries

Deferred Compensation Plan**:** the Dean Foods Amended and Restated Executive Deferred Compensation Plan or the Dean Foods Company Post-2004 Executive Deferred Compensation Plan, as applicable

Executive Officers**:** officers of Dean Foods designated by the Board as executive officers (as defined by Rule 3b-7 under the Exchange Act). Dean Foods has certain disclosure obligations with respect to its Executive Officers and the Executive Officers must report certain transactions in the Company's equity securities under Section 16 of the Exchange Act

Executive Severance Plan**:** the Company's Amended and Restated Executive Severance Pay Plan, a copy of which is filed as Exhibit 10.1 of our Current Report on Form 8-K dated November 19, 2010

***Exchange Act*:** the Securities and Exchange Act of 1934, as amended

***FASB ASC Topic 718*:** Financial Accounting Standards related to ''Compensation—Stock Compensation''

***Independent Directors*:** the Company's directors who have been determined by the Board to have no material relationships with Dean Foods pursuant to the standards set forth in the NYSE Rules and, as to members of the Audit Committee, who meet the requirements of Section 10A of the Exchange Act and Rule 10A-3 under the Exchange Act and, as to members of the Compensation Committee, who meet the requirements of Section 10C of the Exchange Act and Rule 10C-1 under the Exchange Act

***Internal Revenue Code*:** the Internal Revenue Code of 1986, as amended

***LTI*:** long-term incentive compensation

***Named Executive Officer or NEO*:** the Company's CEO, CFO and the next three most highly compensated executive officers other than our CEO and CFO during fiscal 2016

***Notice of Internet Availability*:** Refers to the Notice of Internet Availability of Proxy Materials, which is a written notice mailed to the Company's stockholders to inform them that proxy materials relating to the Company's meeting of stockholders are available on a specified Internet Website and includes instructions for accessing proxy materials and voting online

***NYSE*:** The New York Stock Exchange

***NYSE Rules*:** the NYSE's rules for companies with securities listed for trading on the NYSE, including the continual listing requirement and rules and policies on matters such as corporate governance, stockholder communication and stockholder approval

***Proxy*:** your legal designation of another person to vote the stock that you own

***PSU*:** performance stock unit, a form of LTI compensation. For award features, see page 57

***Record Date*:** the date for the determination of those stockholders who are entitled to notice of and to vote at our 2017 Annual Meeting of Stockholders

***Reverse Stock Split*:** the reverse stock split of the Company's issued common stock by a ratio of 1-for-2 effected August 26, 2013

***RSA*:** restricted stock award, a form of LTI compensation. For award features, see page 23

***RSU*:** restricted stock unit, a form of LTI compensation. For award features, see page 57

***SEC*:** the U.S. Securities and Exchange Commission

***SERP*:** the Dean Foods Company Supplemental Executive Retirement Plan, which is a nonqualified deferred compensation arrangement for our executive officers and other employees earning compensation in excess of the maximum compensation that can be taken into account with respect to the Dean Foods 401(k) plan, as set forth in the Internal Revenue Code

***Share or Shares*:** a share or shares of Dean Foods Company common stock, $0.01 par value per share

***STI*:** short-term incentive compensation

***Stockholder of Record*:** if your shares are registered directly in your name with our transfer agent, Computershare, then you are the Stockholder of Record

***Street Name*:** shares held in an account at a broker, bank or other nominee

***WhiteWave*:** The WhiteWave Foods Company, a former subsidiary of Dean Foods Company

***WhiteWave Spin-Off*:** the spin-off effective on May 23, 2013 of a portion of the Company's ownership interest in WhiteWave to our stockholders

ANNEX A

Reconciliation of Non-GAAP Financial Measures

Non-GAAP Financial Measures

We have presented in this Proxy Statement certain adjusted financial results and certain other non-GAAP financial measures, as described in further detail below. This non-GAAP financial information is provided as supplemental information for investors and is not in accordance with, or an alternative to, GAAP. Additionally, these non-GAAP measures may be different than similar measures used by other companies.

We believe that the presentation of these non-GAAP financial measures, when considered together with our GAAP financial measures and the reconciliations to the corresponding GAAP financial measures, provides investors with a more complete understanding of the factors and trends affecting our business than could be obtained absent these disclosures. Our management uses these non-GAAP financial measures when evaluating our performance, when making decisions regarding the allocation of resources, in determining incentive compensation for management, and in determining earnings estimates.

A full reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures for the year ended December 31, 2016 is set forth in the tables below.

Adjusted Operating Results

We have supplemented the presentation of our reported GAAP operating income and earnings (loss) per diluted share with non-GAAP measures that adjust the GAAP measures to exclude the impact of the following (as applicable):

- asset impairment charges;
- incremental non-cash trademark amortization triggered by the launch of a national fresh white milk brand;
- closed deal costs;
- facility closing, reorganization and realignment costs;
- debt issuance costs;
- costs associated with the early retirement of long-term debt;
- gains (losses) on the mark-to-market of our derivative contracts;
- separation costs;
- gains or losses related to discontinued operations and divestitures;
- income tax impacts of the foregoing adjustments; and
- adjustments to normalize our income tax expense at a rate of 38%.

We believe these non-GAAP measures provide useful information to investors by excluding expenses, gains or losses that are not indicative of the company's core operating performance. In addition, we cannot predict the timing and amount of gains or losses associated with such items. We believe these non-GAAP measures provide more accurate comparisons of our ongoing business operations and are better indicators of trends in our underlying business. In addition, these adjustments are consistent with how management views our business. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and evaluating the Company's ongoing performance. Further, adjusted operating income is used by management to evaluate key performance indicators of low cost. The financial performance component of STI is based on adjusted operating income.

Bank EBITDA

Bank EBITDA is calculated as Adjusted EBITDA, as further adjusted to exclude certain non-cash and non-recurring or extraordinary expenses as permitted in calculating covenant compliance under our credit agreement. Adjusted EBITDA is defined as net income (loss), which is the most comparable GAAP financial measure, adjusted for the items above as well as interest, taxes, depreciation and amortization. Our Compensation Committee has determined to use Bank EBITDA as the performance metric for certain performance-based compensation awarded in the form of PSUs.

Free Cash Flow

We define Free Cash Flow as net cash provided by operating activities from continuing operations less cash payments for capital expenditures. We believe Free Cash Flow is a meaningful non-GAAP measure that offers supplemental information and insight regarding the liquidity of our operations and our ability to generate sufficient cash flow to, among other things, repay debt, invest in our business and repurchase shares of our common stock. A limitation of Free Cash Flow is that it does not represent the total increase or decrease in the cash balance for the period.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(Notes to Reconciliation Tables commence on page A-3.)

RECONCILIATION OF NET INCOME TO BANK EBITDA
(Unaudited)
(In thousands)

	Twelve Months Ended December 31, 2016
Net income (loss)	$119,929
Interest expense	66,795
Income tax expense (benefit)	82,034
Depreciation and amortization	172,617
Closed deal costs(b)	4,926
Facility closing and reorganization costs, net(c)	8,719
Mark-to-market on derivative contracts(d)	(12,798)
Other adjustments(e)	12,249
Adjusted EBITDA	$454,471
Non-cash share-based compensation expense	9,116
Bank EBITDA	$463,587

RECONCILIATION OF ADJUSTED OPERATING INCOME AND ADJUSTED EPS
(Unaudited)
(In thousands, except per share data)

	Twelve Months Ended December 31, 2016							
	GAAP	Asset write-downs and (gain) loss on sale of assets(a)	Closed deal costs(b)	Facility closing and reorganization costs, net(c)	Mark-to-market on derivative contracts(d)	Other adjustments(e)	Income tax(f)	Adjusted
Operating income	$263,668	$16,843	$4,926	$8,719	$(12,798)	$11,561	—	$292,919
Diluted earnings per share	$ 1.31	$ 0.18	$ 0.05	$ 0.10	$ (0.14)	$ 0.14	$(0.07)	$ 1.57

RECONCILIATION OF FREE CASH FLOW PROVIDED BY CONTINUING OPERATIONS
(Unaudited)
(In thousands)

	Twelve Months Ended December 31, 2016
Net cash provided by operating activities	$ 257,413
Payments for property, plant and equipment	(144,642)
Free Cash Flow provided by continuing operations . .	$ 112,771

Notes to Reconciliation Tables

(a) In conjunction with our decision to launch DairyPure in the first quarter of 2015, we reclassified certain of our indefinite-lived trademarks to finite-lived, resulting in a triggering event for impairment testing purposes. The related adjustment reflects the elimination of amortization expense recorded on these finite-lived trademarks of approximately $16.8 million for the year ended December 31, 2016.

(b) The adjustment reflects the elimination of expenses related to the acquisition of Friendly's Ice Cream Holdings Corp. completed on June 20, 2016, and an immaterial amount of expenses related to other transactional activities, of approximately $4.9 million for the year ended December 31, 2016.

(c) The adjustment reflects the elimination of severance charges and non-cash asset impairments, net of (gains) losses on related asset sales, for approved facility closings and restructuring plans.

(d) The adjustment reflects the elimination of the (gain) loss on the mark-to-market of our commodity derivative contracts. All of our commodity derivative contracts are marked to market in our statement of operations during each reporting period with a corresponding derivative asset or liability on our balance sheet.

(e) The adjustment reflects the elimination of the following:

i. Interest accretion in connection with the settlement of a previously disclosed dairy farmer class action lawsuit filed in the United States District Court for the Eastern District of Tennessee. The Court granted final approval of the settlement agreement on June 15, 2012 and the final installment payment was made in June of 2016;

ii. Interest expense on uncertain tax positions that we retained in connection with prior discontinued operations;

iii. Separation charge of $11.6 million for the year ended December 31, 2016 in connection with the Company's CEO succession plan; and

iv. Loss on sale of discontinued operations, net of tax.

(f) The adjustment reflects the income tax impact of adjustments (a) through (e) and an adjustment to our income tax expense (benefit) to reflect income tax at a tax rate of 38%, which we believe represents our normalized long-term effective tax rate as a U.S. domiciled business.

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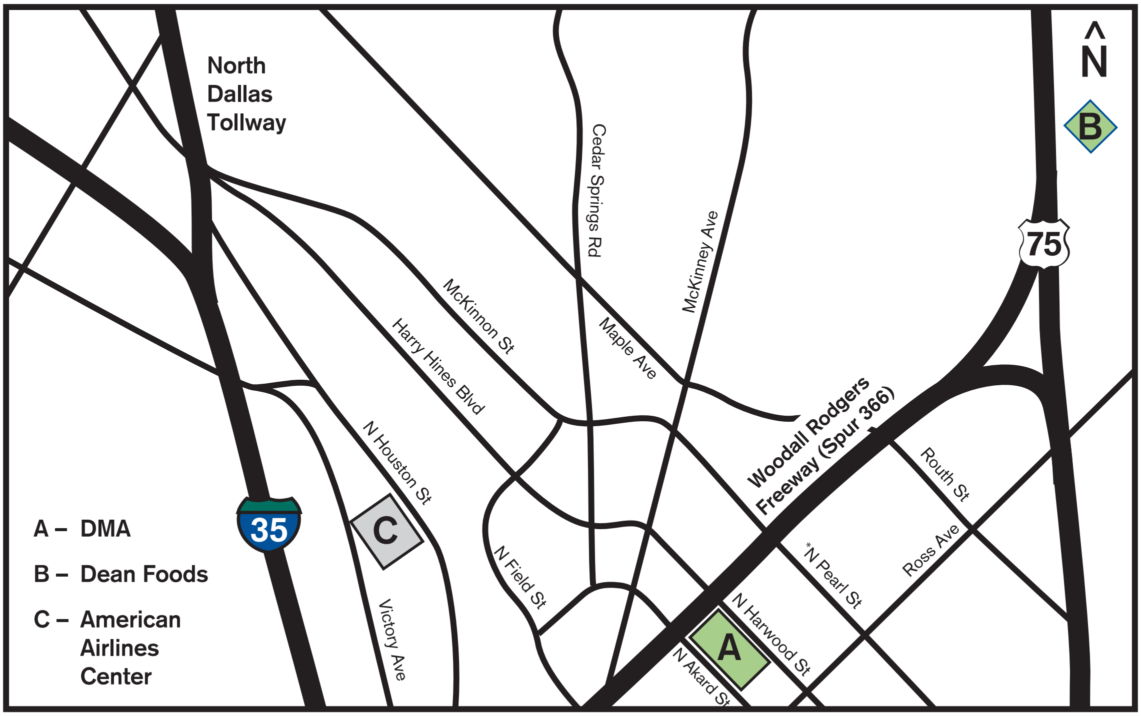

Dean Foods Company
2017 Annual Meeting of Stockholders

May 10, 2017
10:00 a.m. Central Time

Dallas Museum of Art (DMA)
1717 North Harwood
Dallas, TX 75201

Horchow Auditorium

Complimentary event parking available underground at the DMA