

Who We Are

Trián Fund Management, L.P. (“Trián”) is a **Highly Engaged Shareowner** that seeks to invest in high-quality, but undervalued and underperforming, public companies and to **work collaboratively** with management teams and boards to execute operational and strategic initiatives designed to **drive long-term sustainable earnings growth** for the benefit of all shareowners. Trián believes that most successful companies also work to **enhance the interests of their stakeholders** (shareowners, employees, customers and the communities in which the company operates), thus **expanding the positive impacts** of their overall enterprise.

Trián’s Environmental, Social, and Governance (“ESG”) Affiliations



About Trián’s ESG Practices and Principles

Promoting good business practices and strong corporate governance principles has been part of Trián’s operating strategy since our inception and we have had **success in bringing about positive ESG changes** at many of our portfolio companies.

Trián believes that ESG issues can have an impact on a company’s culture and long-term performance and that companies can implement appropriate ESG initiatives that increase their sales and earnings. We also believe that **the consideration of ESG factors enhances our overall investment process**.

As outlined in our ESG Policy Statement, Trián may seek to implement **ESG-related initiatives** at portfolio companies that we believe will improve the long-term performance of the company, including:

- **Environmental initiatives** such as encouraging the production of **more environmentally-friendly products**, improving the **sustainability of supply chains**, and promoting the **more efficient use of natural and renewable resources** through the implementation of innovative solutions in food production, manufacturing and other industrial processes.
- **Social initiatives** such as refreshing consumer company product offerings to reflect customer demand for **healthier products**, supporting the investment of capital, research and development programs and marketing plans as part of the effort to **enhance sustainable long-term earnings growth** and create jobs at our portfolio companies, and **facilitating the resolution of disputes** between labor and management.
- **Governance initiatives** such as board refreshment to ensure that boards are made up of individuals with **diverse backgrounds and experiences** who are positioned to help the company achieve its goals, realignment of executive pay to put greater emphasis on **long-term performance based compensation** to align management’s interests more closely with those of long-term shareholders, and **enhancing our portfolio companies’ corporate governance profile**, such as by adopting proxy access.

Engaging with Company Boards on ESG Issues

When a Trian Partner or Advisory Partner joins the board of a portfolio company, they often serve on committees where he or she is able to raise ESG risks and opportunities with senior management and other directors and may seek to ***influence the portfolio company's policies and actions in ESG-related areas.***

Trian Representatives on Portfolio Company Boards (as of June 1, 2017)


Nelson Peltz
Trian CEO and Founding Partner
Non-Executive Chairman and a Director of Wendy's

- Chairman, Corporate Social Responsibility Committee

Director of Sysco

- Corporate Governance and Nominating Committee

Director of Mondelēz

- Governance, Membership, and Public Affairs Committee
- Finance Committee


Ed Garden
Trian CIO and Founding Partner
Director of BNY Mellon

- Chairman, Human Resources and Compensation Committee

- Corporate Governance and Nominating Committee

- Risk Committee

- Finance Committee

Director of Pentair

- Governance Committee
- Compensation Committee


Peter May
Trian President and Founding Partner
Director of Wendy's

- Corporate Social Responsibility Committee

- Chairman, Capital and Investment Committee

- Executive Committee


Matt Peltz
Trian Senior Analyst and Partner
Director of Wendy's

- Corporate Social Responsibility Committee

- Capital and Investment Committee


Josh Frank
Trian Senior Analyst and Partner
Director of Sysco

- Compensation Committee

- Audit Committee


Dennis Kass
Trian Advisory Partner
Director of Wendy's

- Compensation Committee

- Audit Committee

ESG Highlights at Current Trian Portfolio Companies

Trian Board Representation

- **Diversity:** 32% of U.S. workforce are from diverse ethnic/racial backgrounds and 46% of U.S. workforce are women
- **Environmental Transparency:** One of only two S&P 500 companies with perfect scores for climate change disclosure and performance for three consecutive years
- **ESG Index:** One of only two US diversified financial services companies named to the Dow Jones Sustainability World Index
- **Favorable ISS Governance Score:** Received a 2 on ISS's QualityScore metric, the second-highest possible score (out of 10) and indicative of a low level of governance risk
- **Director Independence:** 12 out of 13 directors are independent
- **Board Refreshment:** BNY Mellon has appointed 7 new directors since 2014 and, absent exceptional circumstances, the company's Corporate Governance Guidelines require rotation of the Lead Director and all Committee Chairmen at five-year intervals



- **Clean Energy:** Committed to reducing non-renewable energy use by 10% by 2020 per price adj. dollar revenue compared to 2010
- **Emissions Reduction:** Committed to reducing greenhouse gas emissions by 7% by 2020 from 2016 levels
- **Supplier Diversity:** \$4bn spent with small and minority / diverse suppliers in the U.S. in 2015
- **Employee Pension:** Committed to making \$2.9bn in contributions to its U.S. defined benefit plan in 2017 ahead of Dow merger
- **Food Security:** DuPont is an exclusive sponsor of the Global Food Security Index, developed by the Economist Intelligence Unit
- **Environmental Protection:** Helped develop the Sustainable Remediation Forum (SURF) to address sustainability in environmental remediation
- **Director Independence:** 9 of 10 directors are independent
- **Board Refreshment:** DuPont has appointed 4 new directors to its Board within the past 5 years, and its median director tenure is 7.5 years

ESG Highlights at Current Triam Portfolio Companies (continued)
**Triam Board
Representation**


- **Community Outreach:** \$171 million in charitable contributions from GE businesses, employees and the GE Foundation in 2016
- **Ecomagination:** GE's ecologically-focused business strategy has generated \$232bn in revenues from Ecomagination technologies and solutions
- **Conservation:** GE has reduced the use of freshwater by more than 42% from 2006 through 2014 and plans an additional 20% reduction by 2020 on an adj. 2011 baseline
- **Corporate Ethics:** Recognized by Ethisphere as one of the World's Most Ethical Companies for 10 consecutive years
- **Emissions Reduction:** GE has reduced greenhouse gas emissions by 18% through 2016 from an adj. 2011 baseline and plans an additional 20% reduction through 2020
- **Diversity:** In 2017, launched the "Balance the Equation" initiative with the goal of having 20,000 women in STEM roles by 2020 and obtaining 50% representation for women in GE's technical entry-level programs
- **Executive Compensation:** For 2018, GE has announced that it will to review its performance incentive framework with a goal to further align incentives around the performance metrics that most directly impact the creation of long-term shareholder value



- **Responsible Supply Chain:** Created "Cocoa Life," a 3rd party-verified cocoa sustainability program and "Harmony" a sustainable partnership with key actors in the European wheat production chain
- **ESG Index:** A Dow Jones Sustainability World Index member for the 12th year in a row in 2016 and a member of the MSCI World ESG Index
- **Cutting Waste:** From 2010 to 2014, Mondelēz reduced factory net waste by 57% (per ton of production) and eliminated 89 million lbs. of packaging material (exceeding target by 78%)
- **Water Usage:** From 2005 to 2010, Mondelēz factories reduced water use by 30% and the company continues to achieve new targets through its goals of educating employees to reuse water and improving processes and equipment
- **Favorable ISS Governance Score:** Received a 2 on ISS's QualityScore metric, the third-highest possible score (out of 10) ✓
- **Director Independence:** 12 out of 13 directors are independent
- **Board Refreshment:** Mondelēz has added 7 new directors to the Board since October 2012, and its median director tenure is 5 years



- **Wastewater Reuse:** Many of Pentair's water technologies are designed to recycle wastewater and return it safely to the environment – the company implements this strategy in its own operations worldwide, saving millions of gallons of water each year
- **Project Safewater:** Pentair's water initiative has helped provide clean drinking water to nearly 3 million people around the world
- **Pentair Foundation:** Donated more than \$59 million to causes promoting water management in food production
- **Director Independence:** 11 out of 12 directors are independent ✓
- **Shareholder Engagement:** In 2016, Pentair's Lead Director, Compensation Committee Chair and members of senior management conducted outreach with the 35 largest shareholders, representing 70% of outstanding shares



- **Local Sourcing:** Named one of the world's 10 most innovative food companies by Fast Company in 2012 due to ability to integrate local food products into supply chain
- **Waste Reduction:** 3 million tons of vegetative resources were reused or recycled by Sysco suppliers in the 2013 growing season
- **Diversity:** Spent \$957 million with minority and women owned suppliers in FY2013
- **ESG Index:** Member of FTSE4Good Index since 2003
- **Food Safety:** Sysco has rigorous and comprehensive food safety protocols and is involved in the Global Food Safety Initiative (GFSI)
- **Low Emission Vehicles:** Sysco's fleet includes 180 low emission liquid natural gas trucks ✓
- **Favorable ISS Governance Score:** Received a 1 on ISS's QualityScore metric, the best possible score
- **Board Self-Evaluation:** In 2016, announced a "360 degree" performance review process for individual directors that will take place every 3 years and will solicit feedback from management and other directors, among others

ESG Highlights at Current Trian Portfolio Companies (continued)
**Trian Board
Representation**


- **Animal Welfare:** Wendy's is an industry leader in animal welfare and responsible treatment, adopting welfare guidelines for beef and pork in 1998 that were developed by Dr. Temple Grandin, who is a consultant to Wendy's. Other animal welfare initiatives include a commitment to sourcing all cage-free eggs by 2020 and using antibiotics solely to treat animal illness
- **Community Outreach:** Dave Thomas Foundation for Adoption and the Wendy's Wonderful Kids Program have found permanent homes for more than 6,000 children
- **Healthy Menu Options:** Wendy's is a leading purveyor of salads and was the first quick service restaurant to create a salad bar in 1979
- **Energy Consumption:** Committed to 25% reduction per transaction by 2025
- **Supplier Code of Conduct:** In 2016, Wendy's launched its Supplier Code of Conduct, deployed to more than 300 suppliers of food, paper and packaging, which covers topics such as human rights and labor practices, environmentally sustainable business practices and food safety
- **Diversity:** At company-owned restaurants, a majority of all General Manager (GM) roles are occupied by women, and a majority of GM roles are also occupied by people of color
- **Favorable ISS Governance Score:** Received a 1 on ISS's QualityScore metric, the best possible score
- **Board Refreshment:** Wendy's has appointed 6 new directors in the past two years and the median director tenure is 2 years


Disclaimers
CERTAIN CONSIDERATIONS

TRIAN FUND MANAGEMENT, L.P. ("TRIAN") BELIEVES THE INFORMATION CONTAINED IN THIS MATERIAL TO BE RELIABLE BUT DOES NOT WARRANT ITS ACCURACY OR COMPLETENESS.

THIS MATERIAL DOES NOT HAVE REGARD TO THE SPECIFIC INVESTMENT OBJECTIVE, FINANCIAL SITUATION, SUITABILITY, OR THE PARTICULAR NEED OF ANY SPECIFIC PERSON WHO MAY RECEIVE THIS MATERIAL, AND SHOULD NOT BE TAKEN AS ADVICE ON THE MERITS OF ANY INVESTMENT DECISION. TRIAN RESERVES THE RIGHT TO CHANGE ANY OF ITS OPINIONS EXPRESSED HEREIN AT ANY TIME AS IT DEEMS APPROPRIATE. TRIAN DISCLAIMS ANY OBLIGATION TO UPDATE THE INFORMATION CONTAINED HEREIN OR OTHERWISE PROVIDED TO YOU.

THIS MATERIAL AND THE INFORMATION OTHERWISE PROVIDED TO YOU HAS NOT BEEN REGISTERED OR FILED WITH, OR REVIEWED BY, ANY FEDERAL, REGIONAL, LOCAL OR FOREIGN REGULATORY AUTHORITY. ACCORDINGLY, THE FOREGOING AUTHORITIES HAVE NOT RECOMMENDED OR APPROVED THIS MATERIAL OR INFORMATION OTHERWISE PROVIDED TO YOU OR CONFIRMED ITS ADEQUACY OR ACCURACY.

NOT AN OFFER TO SELL

THIS IS NEITHER AN OFFER TO SELL NOR A SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES IN ANY FUND MANAGED BY TRIAN NOR SHALL THERE BE ANY SALE OF A SECURITY IN ANY JURISDICTION WHERE SUCH SOLICITATION OR SALE WOULD BE UNLAWFUL. THE INFORMATION CONTAINED IN THIS MATERIAL OR OTHERWISE PROVIDED TO YOU DOES NOT RECOMMEND THE PURCHASE OR SALE OF ANY SECURITY, IS NOT COMPLETE AND DOES NOT CONTAIN CERTAIN MATERIAL INFORMATION ABOUT ANY FUND MANAGED BY TRIAN, INCLUDING IMPORTANT DISCLOSURES AND RISK FACTORS ASSOCIATED WITH AN INVESTMENT IN SUCH FUNDS, AND IS SUBJECT TO CHANGE WITHOUT NOTICE. ANY OFFERING IS MADE ONLY PURSUANT TO THE RELEVANT OFFERING MEMORANDUM, TOGETHER WITH THE CURRENT FINANCIAL STATEMENTS OF THE RELEVANT FUND, IF AVAILABLE, AND THE RELEVANT SUBSCRIPTION DOCUMENTS, ALL OF WHICH MUST BE READ IN THEIR ENTIRETY. NO OFFER TO PURCHASE SECURITIES WILL BE MADE OR ACCEPTED PRIOR TO RECEIPT BY THE OFFEREE OF THESE DOCUMENTS AND THE COMPLETION OF ALL APPROPRIATE DOCUMENTATION. TO THE EXTENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN THE RELEVANT OFFERING MEMORANDUM AND THIS MATERIAL, THE OFFERING MEMORANDUM SHALL CONTROL. THIS MATERIAL AND THE INFORMATION OTHERWISE PROVIDED TO YOU IS PROVIDED MERELY AS INFORMATION AND IS NOT INTENDED AS AN INVITATION OR INDUCEMENT TO PURCHASE OR SELL ANY SECURITIES OR INVESTMENT AND IS THEREFORE NOT FINANCIAL MATERIALS AS CONTEMPLATED BY SECTION 21 OF THE UK FINANCIAL SERVICES ACT, NOR IS THIS MATERIAL AND SUCH OTHER INFORMATION ANY FORM OF INVESTMENT ADVICE TO THE RECIPIENTS.

CONCERNING INTELLECTUAL PROPERTY

ALL REGISTERED OR UNREGISTERED SERVICE MARKS, TRADEMARKS AND TRADE NAMES REFERRED TO IN THIS PRESENTATION ARE THE PROPERTY OF THEIR RESPECTIVE OWNERS AND TRIAN'S USE HEREOF DOES NOT IMPLY AN AFFILIATION WITH, OR ENDORSEMENT BY, THE OWNERS OF THESE SERVICE MARKS, TRADEMARKS AND TRADE NAMES.