

## 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 help companies 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 encourage portfolio companies to implement **ESG-related initiatives** 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 Triam Partner joins the board of a portfolio company, he or she often serves on committees where there is an ability to raise ESG risks and opportunities with senior management and other directors and to ***influence the portfolio company's policies and actions in ESG-related areas.***

### Triam Representatives on Portfolio Company Boards (as of November 1, 2018)


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

- Chairman, Corporate Social Responsibility Committee
- Chairman, Executive Committee

**Director of Sysco**

- Corporate Governance and Nominating Committee

**Director of Procter & Gamble**

- Governance & Public Responsibility Committee
- Innovation & Technology Committee


**Ed Garden**
**Triam CIO and Founding Partner**
**Director of General Electric**

- Management Development & Compensation Committee
- Finance and Capital Allocation Committee

**Director of BNY Mellon**

- Chairman, Human Resources and Compensation Committee
- Corporate Governance, Nominating and Social Responsibility Committee
- Risk Committee
- Finance Committee


**Peter May**
**Triam President and Founding Partner**
**Director of Wendy's**

- Corporate Social Responsibility Committee
- Compensation Committee
- Chairman, Capital and Investment Committee
- Chairman, Technology Committee
- Executive Committee

**Director of Mondelez**

- Human Resources and Compensation Committee
- Finance Committee


**Matt Peltz**
**Triam Senior Analyst and Partner**
**Director of Wendy's**

- Corporate Social Responsibility Committee
- Technology Committee
- Capital and Investment Committee


**Josh Frank**
**Triam Senior Analyst and Partner**
**Director of Sysco**

- Compensation Committee
- Audit Committee


**Brian Baldwin**
**Triam Senior Analyst and Partner**
**Director of nVent Electric**

- Compensation Committee
- Governance Committee

## ESG Highlights at Current Triam Portfolio Companies with Triam Board Representation

- **Board Refreshment:** BNY Mellon has appointed eight new directors from August 2014 through April 2018 and, absent exceptional circumstances, the company's Corporate Governance Guidelines require rotation of the Lead Director and all Committee Chairmen at five-year intervals
- **Favorable ISS Governance Score:** Received a 3 on ISS's QualityScore metric (as of April 1, 2018), the third-highest possible score (out of 10)
- **ESG Index:** In 2018, BNY Mellon has maintained its leadership status in corporate social responsibility (CSR), appearing as the only U.S. diversified financial company on the Dow Jones Sustainability World Index for the 5<sup>th</sup> consecutive year, and appearing on the North America Index for the 6<sup>th</sup> consecutive year
- **Climate Change Agenda:** Since 2015, BNY Mellon has been a carbon neutral company. This was accomplished by reducing traditional energy usage, utilizing renewable resources (100% renewable electricity purchased) and purchasing carbon offsets. GHG emissions reduced by 52% since 2008, exceeding its 2020 goal. Since 2015, water usage has been reduced by 11%
- **Diversity:** 33% of U.S. workforce are from diverse ethnic/racial backgrounds and 45% of U.S. work-force are women (for calendar year 2017)
- **Reduced Paper Use:** Through its PaperWise and Managed Print programs, paper purchases were reduced by 61% from 2010 to 2015, and deleted, eliminated or avoided 366 million pages since 2012
- **Board Refreshment:** Following the April 2018 shareowners meeting, GE's board was reduced from eighteen directors to twelve directors (eleven directors as of December 2018). Four new directors joined the board including Larry Culp, former CEO of Danaher Corporation, who became the lead director in June 2018 and CEO on October 1, 2018. GE also said on October 1, 2018 that it is working on opportunities for continued board renewal
- **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
- **Ecomagination:** GE's ecologically-focused business strategy has generated \$270 billion in revenues from Ecomagination solutions through 2016
- **GE Volunteers:** Since 2005, GE employees and retirees have reported more than 12 million hours spent volunteering on more than 57,000 projects globally
- **Conservation:** GE has reduced the use of freshwater by more than 29% through 2016, surpassing its goal of a 20% reduction by 2020 on an adj. 2011 baseline
- **Affordable Healthcare:** Today, over 5.8 billion people lack access to quality, affordable healthcare. GE has committed \$300 million to deliver disruptive technologies to healthcare providers across emerging markets



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

- 
  - **Board Refreshment:** As of April 1, 2018, Mondelēz has added 8 new directors to the Board since October 2012, and its median director tenure is approx 5 years
  - **Director Independence:** Twelve out of thirteen directors are independent (as of April 1, 2018)
  - **Responsible Supply Chain:** Launched in 2012, "Cocoa Life" is a sourcing program that helps farmers achieve sustainable livelihoods while increasing cocoa yields, reaching 120,500 farmers in 1,085 communities through 2017. In 2014 Mondelēz published the Palm Oil Action Plan, a long-term roadmap to achieve a sustainable palm oil supply, which was launched after achieving 100% Roundtable on Sustainable Palm Oil (RSPO) coverage in 2013
  - **Climate Change Agenda:** Mondelēz reduced water use by 25% in priority locations where water is most scarce, exceeding its 2020 goal. Absolute CO<sub>2</sub> emissions have been reduced by 10% (from 2013 to 2017). Mondelēz is committed to making all paper-based packaging sustainably sourced by 2020 and all packaging recyclable by 2025
  - **Well-Being Snacks:** Continuing to make nutrition improvements in key brands: reducing sodium across *Oreo* globally; doubling the amount of whole grain in *Club Social* biscuits; and cutting saturated fat in *Barni* by 13%
  - **ESG Index:** A Dow Jones Sustainability World Index member for the 14th year in a row in 2018
- 
  - **Environmental Treasure Hunt:** Solicit and implement local improvement ideas at manufacturing facilities around the world. Team in Anoka, Minnesota identified large electricity savings by swapping High Intensity Discharge lighting systems for fluorescent lighting, resulting in savings of 2.5 million kWh annually or \$200,000
  - **Combatting Climate Change:** nVent products provide support and protection to critical infrastructure. Enclosures protect sensitive data center equipment, heat trace cables keep ice and snow off of railways and pipelines and seismic braking systems protect buildings in earthquake-prone regions
  - **Energy Efficiency:** Raychem heating technology is being utilized in skyscrapers for efficient hot water design and instant hot water on every floor
  - **Rail Safety:** With over 100 million connections installed globally, ERICO Cadweld is an industry leader in exothermic welding solutions that keep trains running safely and on time
  - **Lean Manufacturing:** Disciplined manufacturing process maximizes use of inputs and aims to minimize waste by products
  - **Director Independence:** As of August 2018, eight out ten directors are independent outside of the CEO and non-executive Chairman
- 
  - **Executive Compensation:** In 2018, following the removal of the discretionary component from Pentair's annual incentive program among other reforms, ISS recommended a vote in favor of "say-on-pay" after previously recommending a vote against in the prior two years
  - **Director Independence:** Seven out of eight directors are independent (as of September 10, 2018)
  - **Wastewater Reuse:** Many of Pentair's water technologies are designed to recycle wastewater and return it safely to the environment – the company's use of this technology in its own operations saved over 10 million gallons in 2017
  - **Project Safewater:** From its launch in 2007 through 2017, Pentair's water initiative has helped provide clean drinking water to more than 3 million people globally every day
  - **Philanthropic Work:** Pentair is a founding supporter of The Nature Conservancy's Upper Tana-Nairobi Water Fund, a public-private initiative that uses natural systems to filter and regulate the water supply of the Tana River, which provides more than 95% of the water for Nairobi's citizens
  - **Energy Savings:** Pentair was named a 2018 ENERGY STAR Partner of the Year – Sustained Excellence Award winner. Between 2005 and 2018, Pentair's pumps helped U.S. consumers save \$1.98 billion in energy costs and conserved enough energy to power 1.3 million U.S. homes for one year
- 
  - **Favorable ISS Governance Score:** Received a 2 on ISS's QualityScore metric (as of April 1, 2018), the second-highest possible score (out of 10)
  - **New Product Innovation:** P&G has the world's first recyclable shampoo bottle made with recycled beach plastic and the first predominantly bio-based detergent (manufactured at a 100% wind-powered facility).
  - **Water:** P&G has reduced water use in its manufacturing facilities by 20% per unit of production and, through its Children's Safe Drinking Water Program, has donated more than 14 billion liters of potable water since 2004
  - **Sustainable Supply Chain:** 85% of manufacturing plants have achieved goal of sending zero manufacturing waste to landfill. Almost 100% of the packaging used in Charmin, Puffs and Bounty is recyclable.
  - **Diversity:** P&G has a target whereby women direct 50% of their advertisements by 2023. 46% of all P&G managers globally are women (as of November 2018).
  - **Philanthropic Work:** Since 2002, P&G has donated \$50 million worth of products in partnership with Kind Direct, a leading UK charity dedicated to distributing donated consumer products from manufacturers and retailers.
  - **Climate:** In 2010, P&G established various sustainability goals including reducing its absolute greenhouse gas emissions by 30% by 2020 and reducing energy use at its facilities by 20% per unit of production (achieved), with a long-term vision of powering all its plants with 100% renewable electricity (in NA by 2020, globally by 2030) and to have 100% recyclable or reusable packaging by 2030

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


- **Favorable ISS Governance Score:** Received a 2 on ISS's QualityScore metric (as of April 1, 2018), the second-highest possible score (out of 10)
- **Board Refreshment Plan:** Since Triam's investment, Sysco has elected eight new directors (out of twelve), established a 15-year limit on director tenure, and announced a "360 degree" performance review process for individual directors that will take place every three years and will solicit feedback from management and other directors
- **Food Safety:** In FY2016, Sysco's Quality Assurance team completed on-site audits and plant or field inspections at more than 1,700 locations to monitor food safety and quality programs
- **Environmentally Responsible Products:** In October 2018, Sysco launched Sysco Earth Plus®, a planet-friendly initiative aimed at utilizing caterware made from sustainable materials
- **Low Emission Vehicles:** Sysco's fleet includes 180 low emission liquid natural gas trucks, and in December 2017, Sysco placed a reservation for 50 Tesla fully-electric Semi tractors (to begin production in 2019) that will have up to 500 miles of range on a single charge
- **Supplier Diversity:** Spent \$1.1 billion with over 500 minority and women owned suppliers in FY2016
- **Solar Power:** In June 2018, Sysco announced a ten-year agreement with NRG Energy. Under this arrangement, NRG Energy will construct three solar gardens in Houston and Dallas that will support approximately 10% of Sysco's U.S. operations
- **Food Waste Reduction:** In 2016, FreshPoint (a Sysco company) launched its Unusual But Usable (UBU) program that finds customers interested in utilizing "imperfect" produce that might otherwise go to waste
- **ESG Index:** Member of FTSE4Good Index since 2003



- **Favorable ISS Governance Score:** Received a 1 on ISS's QualityScore metric (as of April 1, 2018), the best possible score
- **Board Refreshment:** From February 2015 through May 2018, Wendy's has appointed seven new directors (to a Board of twelve directors)
- **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. In June 2018, Wendy's announced initiatives to source vine-ripened tomatoes for its North American restaurants exclusively from greenhouse farms by early 2019
- **Community Outreach:** Wendy's helped raise more than \$18.7 million to support the Dave Thomas Foundation for Adoption and children in foster care. Through December 2018, more than 8,000 children have been adopted as a direct result of the Wendy's Wonderful Kids Program
- **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 (as of April 1, 2018)
- **Animal Welfare:** In 2019, Wendy's will begin partnership with Progressive Beef™, an animal care and sustainability initiative that seeks to enhance beef supply chain accountability, transparency and traceability. In 2018, Wendy's fulfilled its commitment to source 100% of its beef from Beef Quality Assurance certified sources
- **Energy Consumption:** In 2016, Wendy's joined the U.S. Department of Energy's Better Building Challenge, with 1,500 restaurants committing to reduce energy consumption in its U.S. company-owned locations by 20 percent by 2025. Wendy's unveiled a new "Smart Family of Designs," aimed at providing a portfolio of store development options to franchisees that reduce environmental impact via smaller location footprints and energy efficiency

**Disclaimers**
**CERTAIN CONSIDERATIONS**

TRIAM FUND MANAGEMENT, L.P. ("TRIAM") 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. TRIAM RESERVES THE RIGHT TO CHANGE ANY OF ITS OPINIONS EXPRESSED HEREIN AT ANY TIME AS IT DEEMS APPROPRIATE. TRIAM 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 TRIAM 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 TRIAM, 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 TRIAM'S USE HEREOF DOES NOT IMPLY AN AFFILIATION WITH, OR ENDORSEMENT BY, THE OWNERS OF THESE SERVICE MARKS, TRADEMARKS AND TRADE NAMES.