



ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY STATEMENT

Trian's goal is to deliver strong absolute and risk-adjusted returns to our investors. We seek 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 sustainable earnings growth and enhance long-term shareholder value. Trian 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). With this type of focus, Trian believes that these companies should be able to expand the positive impacts of their overall enterprise.

Trian believes that environmental, social and/or governance (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. As a result, ESG matters can have an impact on a company's total shareholder return over time.

As fiduciaries and responsible stewards of our clients' assets, Trian approaches each of its investments individually. We employ an extensive due diligence process that takes into consideration ESG factors as part of our overall investment and risk assessment when applicable to the specific investment. The particular issues considered will differ for each investment. We believe that the consideration of ESG factors enhances our overall investment process.¹

As a highly engaged shareowner, Trian regularly interacts with the boards of directors and management teams of our portfolio companies. Post-investment, Trian may encourage portfolio companies to implement ESG-related initiatives that we believe will improve the long-term performance of the company.

Environmental initiatives may include:

- Encouraging the production of more environmentally-friendly products
- Improving the sustainability of supply chains; and

¹ While Trian views the consideration of ESG factors as an important part of its due diligence process, the results of our ESG analysis of a potential portfolio company have not altered our long-standing investment strategy.

- 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 may include:

- 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.

Corporate governance initiatives may include:

- 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 and eliminating classified boards.

From an engagement perspective, when a Trian Partner joins the board of a portfolio company, the Partner often serves on board committees where such Partner is able to raise ESG risks and opportunities with senior management and other directors. Even when a Trian Partner does not join the board of a portfolio company, we seek to build relationships with members of the company's board as well as key members of management where we may likewise seek to influence corporate governance policies, executive compensation plans and key business strategies that may have social or environmental implications.

To the extent applicable, Trian considers the ESG implications of management and shareholder proposals when casting votes at portfolio company shareholder meetings. Such proposals are viewed on a case-by-case basis, taking into consideration whether implementation of the proposal is likely to enhance or protect shareholder value and other factors, such as whether the company has previously responded in an appropriate and sufficient manner to the issue(s) raised in the proposal or the cost or burden that complying with the proposal would impose on the company. Subject always to our fiduciary obligations and applicable law, our goal is to cast our votes at shareholder meetings in a manner that encourages both good business practices and strong corporate governance practices to enhance long-term shareholder value.

Promoting good business practices and strong corporate governance principles has been part of Trian’s operating strategy since our inception and we have had success in bringing about positive ESG changes at many of our portfolio companies, including: public commitments to reduce energy consumption; achieving the settlement of a labor dispute (with Trian acting as an informal mediator to help bridge the gap between the employees and management) that did not require cuts to employees’ pay and preserved the defined benefit pension plan as well as the jobs of the workers; and adopting reforms in the areas of board composition and board refreshment, executive compensation and proxy access, as well as other initiatives. As part of implementing our ongoing commitment to ESG considerations, Trian will report periodically on the progress on ESG matters at our portfolio companies in communications with our investors.

In furtherance of our ongoing commitment to ESG considerations, Trian has formed an ESG Working Group to provide input to Trian’s investment team on ESG developments and trends, including thought leadership on best practices on various ESG matters, such as corporate governance. The ESG Working Group meets periodically throughout the year, and is comprised of Trian personnel representing various areas of the firm. The ESG Working Group is chaired by Peter May, President and a Founding Partner of Trian, and includes Trian Partners Matt Peltz, Josh Frank and Brian Schorr.

While particular ESG issues considered will differ for each investment, we believe diversity and inclusion (“D&I”) at the management team and board level, as well as within the ranks of each organization, is relevant and applicable at all companies. We believe that consideration of D&I factors enhances our overall investment process and can be a critical element of our overall strategy. We further believe that our strategy, as well as our objective to work collaboratively with management teams and boards, has positioned Trian to be able to significantly impact the D&I profile of our portfolio companies as part of our operational, strategic and ESG initiatives designed to drive sustainable earnings growth and enhance long-term shareholder value. To that end, at Trian, we are dedicated to focusing on our own commitment to D&I and have adopted a D&I Policy Statement to help guide us as we strive to assemble a highly qualified and diverse team at Trian. See our D&I Policy for details.

We expect to evaluate ESG practices on a company by company basis and we are motivated by the impact of these issues on operating performance at each underlying company. In addition, Trian agrees with the stewardship principles for institutional investors set forth in the Investor Stewardship Group’s (ISG) framework for U.S. Stewardship and Governance and is a signatory to that framework and intends to implement those principles where consistent with our fiduciary responsibilities. We encourage all members of the investment industry to adopt and implement the ISG stewardship principles (and/or similar ESG standards initiatives).

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