

Wendy's Co  
Form DEF 14A  
April 18, 2019  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.       )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

**THE WENDY S COMPANY**

Name of the Registrant as Specified In Its Charter

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**The Wendy's Company**

One Dave Thomas Boulevard

Dublin, Ohio 43017

(614) 764-3100

April 18, 2019

Dear Fellow Stockholders:

We are pleased to invite you to join us at the 2019 Annual Meeting of Stockholders (the Annual Meeting) of The Wendy's Company (the Company) on Tuesday, June 4, 2019 at 10:00 a.m. (Eastern Time). The Annual Meeting will be held at the Thomas Conference Center located at the Company's principal executive offices at One Dave Thomas Boulevard, Dublin, Ohio 43017. The Board of Directors and management hope that you will be able to attend the Annual Meeting.

The business to be conducted at the Annual Meeting is described in the Notice of 2019 Annual Meeting of Stockholders and Proxy Statement. We also look forward to reporting on the Company's 2018 performance and our plans for driving continued global growth, strengthening the Wendy's® brand and delivering value for you, our stockholders.

We encourage you to participate in the Annual Meeting. Please refer to the Proxy Statement for information regarding attendance and admission requirements. Also, whether or not you plan to attend, it is important that your shares be represented and voted at the Annual Meeting. Please promptly cast your vote by completing and returning your proxy card in the enclosed envelope or to the address indicated on your proxy card or voting instruction form. You may also cast your vote by telephone or via the Internet as described in the instructions included with your proxy materials. If you attend the Annual Meeting and wish to vote your shares in person, you may revoke your previously submitted proxy as explained in the Proxy Statement.

Thank you for your continued support and investment in The Wendy's Company.

Sincerely,

**TODD A. PENEGOR**

*President and Chief Executive Officer*



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**NOTICE OF 2019 ANNUAL MEETING OF STOCKHOLDERS**

**Tuesday, June 4, 2019, 10:00 a.m. (Eastern Time)**

The 2019 Annual Meeting of Stockholders (the Annual Meeting ) of The Wendy s Company (the Company ) will be held on Tuesday, June 4, 2019 at 10:00 a.m. (Eastern Time) at the Thomas Conference Center located at the Company s principal executive offices at One Dave Thomas Boulevard, Dublin, Ohio 43017.

**ITEMS OF BUSINESS**

At the Annual Meeting, you will be asked to:

- (1) Elect 11 directors to hold office until the Company s next annual meeting of stockholders;
- (2) Ratify the appointment of Deloitte & Touche LLP as the Company s independent registered public accounting firm for 2019;
- (3) Vote on an advisory resolution to approve executive compensation; and
- (4) Transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

**RECORD DATE**

The record date for the Annual Meeting is April 8, 2019. Only holders of record of shares of the Company s common stock at the close of business on the record date are entitled to vote on all business transacted at the Annual Meeting or any adjournment or postponement thereof.

**VOTING YOUR PROXY**

Your vote is important! Stockholders are cordially invited to attend the Annual Meeting. Whether or not you plan to attend, please promptly complete and return your proxy card in the enclosed envelope, or you may submit your proxy by telephone or via the Internet as described in your proxy card or voting instructions form. You may vote in person if you attend the Annual Meeting.

**ANNUAL MEETING ADMISSION**

To be admitted to the Annual Meeting, you will be required to present a valid government-issued photo identification (such as a driver's license or passport) and valid proof of stock ownership on the record date, based on whether you are a registered stockholder or a beneficial owner of shares. In addition, if you are a beneficial owner, you must also provide a legal proxy from the record holder to vote your shares in person at the Annual Meeting. Please read the accompanying proxy statement for additional important information about Annual Meeting admission requirements.

By Order of the Board of Directors:

E. J. WUNSCH

*Chief Legal Officer and Secretary*

April 18, 2019

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on June 4, 2019: This Notice of Annual Meeting of Stockholders, the Proxy Statement and the 2018 Annual Report to Stockholders are available at [www.proxyvote.com](http://www.proxyvote.com).**

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**The Wendy's Company**

One Dave Thomas  
Boulevard

Dublin, Ohio 43017

(614) 764-3100

**PROXY STATEMENT FOR 2019 ANNUAL MEETING OF STOCKHOLDERS**

**PROXY STATEMENT SUMMARY**

This summary highlights information about The Wendy's Company ( Wendy's or the Company ) and certain information contained elsewhere in this Proxy Statement for the Company's 2019 Annual Meeting of Stockholders to be held on Tuesday, June 4, 2019 at 10:00 a.m. (Eastern Time), and any adjournment or postponement thereof (the Annual Meeting ). This summary does not contain all of the information that you should consider in voting your shares, and you should read the entire Proxy Statement carefully before voting. For more complete information regarding the Company's 2018 performance, please review the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 2018 (the 2018 Form 10-K ). References in this Proxy Statement to 2018, 2017, 2016 and other years refer to the Company's fiscal year for the respective period indicated. Websites referenced throughout this Proxy Statement are provided for convenience only, and the content on the referenced websites does not constitute a part of, and is not incorporated by reference into, this Proxy Statement.

**HOW TO CAST YOUR VOTE**

Even if you plan to attend the Annual Meeting in person, please cast your vote as soon as possible in one of the following ways:

**Internet**

Visit [www.proxyvote.com](http://www.proxyvote.com). You will need the 16-digit number included in your proxy card, voting instruction form or Notice of Internet Availability of Proxy Materials.

**Telephone**

Call (800) 690-6903. You will need the 16-digit number included in your proxy card, voting instruction form or Notice of Internet Availability of Proxy Materials.

**Mail**

Complete, sign and date your proxy card or voting instruction form and return it in the envelope provided or to the address indicated on your proxy card or

voting instruction form.

If you are a beneficial owner of shares and plan to attend the Annual Meeting and vote in person, you will be required to provide a legal proxy from the record holder to vote those shares at the Annual Meeting. Also, please read the Proxy Statement for additional important information about Annual Meeting admission requirements for all stockholders.

## VOTING MATTERS AND BOARD RECOMMENDATIONS

BOARD PROPOSALS	BOARD VOTE RECOMMENDATION	PAGE REFERENCE (FOR MORE DETAIL)
Proposal 1: Election of 11 directors.	<b><u>FOR</u></b>	9
Proposal 2: Ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for 2019.	<b>each nominee</b> <b><u>FOR</u></b>	73
Proposal 3: Advisory resolution to approve executive compensation.	<b><u>FOR</u></b>	75

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The following table provides summary information about the 11 director nominees. Additional information about each nominee's experience, qualifications, attributes and skills can be found under the caption Proposal 1 Election of Directors Director Nominee Qualifications and Biographical Information.

<b>NAME</b>	<b>AGE</b>	<b>DIRECTOR SINCE</b>	<b>OCCUPATION</b>	<b>INDEPENDENT CURRENT BOARD COMMITTEES (1)(2)</b>	<b>OTHER PUBLIC BOARDS</b>
Nelson Peltz	76	1993 (3)	Chief Executive Officer and Founding Partner of Trian Fund Management, L.P.	CSR*, Executive*	3
Peter W. May	76	1993 (3)	President and Founding Partner of Trian Fund Management, L.P.	CI*, Compensation, CSR, Executive, Tech*	1
Kristin A. Dolan	53	2017	Chief Executive Officer and Founder of 605 LLC	Tech	4
Kenneth W. Gilbert	68	2017	Former Chief Marketing Officer of VOSS of Norway ASA	CSR, Tech	
Dennis M. Kass	68	2015	Former Chairman and Chief Executive Officer of Jennison Associates, LLC	Audit, Compensation	
Joseph A. Levato	78	1996 (3)	Former Executive Vice President and Chief Financial Officer of Triarc Companies, Inc. (predecessor to The Wendy's Company)	Audit, Compensation, Executive, NCG	
Michelle Mich J. Mathews-Spradlin	52	2015	Former Chief Marketing Officer and Senior Vice President of Microsoft Corporation	Compensation, CSR, Tech	
Matthew H. Peltz	36	2015	Partner and Senior Analyst of Trian Fund Management, L.P.	CI, CSR, Tech	
Todd A. Penegor	53	2016	President and Chief Executive Officer of The Wendy's Company	CI, Executive	
Peter H.	63	2010	Partner, East Wind Advisors,	Audit,	

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Rothschild			LLC	Compensation*, NCG*	
Arthur B. Winkleblack	61	2016	Former Executive Vice President and Chief Financial Officer of H. J. Heinz Company	Audit*, NCG	2

\* *Committee Chair*

- (1) CI: Capital and Investment; CSR: Corporate Social Responsibility; NCG: Nominating and Corporate Governance; Tech: Technology.
- (2) It is anticipated that the Board of Directors will determine committee assignments at the Board's organizational meeting immediately following the Annual Meeting.
- (3) Messrs. N. Peltz, May and Levato have been directors of the Company since September 2008, when the Company commenced its current business the ownership and franchising of the Wendy® restaurant system. Messrs. Peltz and May served as directors of the Company's predecessor companies from April 1993, and Mr. Levato from June 1996, until September 2008 when Wendy's International, Inc. merged with Triarc Companies, Inc., the predecessor to The Wendy's Company.

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**CORPORATE GOVERNANCE HIGHLIGHTS**

We are committed to maintaining strong corporate governance practices as a critical component of driving sustained stockholder value. The Company's Board of Directors (the Board of Directors or the Board) continually monitors emerging best practices in corporate governance to serve the interests of our stockholders. Highlights of our current governance practices are set forth in the following tables.

**BOARD OF DIRECTORS**

**STOCKHOLDER INTERESTS**

**EXECUTIVE COMPENSATION**

Annual election of directors.	No stockholder rights plan or poison pill.	Annual say-on-pay advisory vote.
Majority voting for directors in uncontested elections with director resignation policy.	Stockholders have the ability to act by written consent.	Strong pay-for-performance philosophy with emphasis on at-risk compensation.
Separation of our Board Chairman and Chief Executive Officer.	Stockholders have the ability to call special meetings.	Multiple performance metrics in annual and long-term incentive plans.
Majority independent Board.	No supermajority voting requirements.	Limited perquisites and benefits.
Fully independent key Board committees.	No exclusive forum selection clause.	Engage independent outside compensation consultants.
Regularly scheduled executive sessions of non-employee and independent directors.	Amended and Restated Certificate of Incorporation provides stockholders with a proxy access right.	Clawback provisions in our 2010 Omnibus Award Plan.
Over 97% average Board and committee meeting attendance in 2018.	No fee-shifting By-Law provisions.	No speculative trading or hedging transactions.
Active Board and committee oversight of risk management.		Double trigger required for change in control equity vesting.
Comprehensive Corporate Governance Guidelines and Code of Business Conduct and Ethics.		Significant stock ownership and retention guidelines for executive officers and directors.

Annual limit on cash and equity awards granted to non-employee directors under our 2010 Omnibus Award Plan.

## **2018 BUSINESS PERFORMANCE AND EXECUTIVE COMPENSATION PROGRAM HIGHLIGHTS**

During 2018, the Company reported systemwide and financial progress through our North America and global growth strategy and continued delivering on the Wendy's® brand promise to Delight Every Customer and execute every element of The Wendy's Way by investing in the quality of our food and providing great value, exceptional service and an elevated restaurant experience. Led by President and Chief Executive Officer Todd Penegor and our senior leadership team, the Company continued to strengthen our brand through customer experience enhancements, restaurant reimaging, new restaurant development and execution of a well-balanced marketing approach. In 2018, we drove improvements in our core economic model, partnered with our franchisees to focus on restaurant-level profitability and returned approximately \$350 million in cash to stockholders through dividends and share repurchases. The Company generated significant cash flows and earnings growth, and our overall operating and financial performance was attributed to our efficient growth strategy, resilient business model and the vitality of the Wendy's brand. Through our strong overall operating and financial results, in 2018, we delivered total stockholder return that ranked in the 69th percentile of the S&P MidCap 400® index.

Our executive compensation program is designed to support the Company's business objectives by linking executive compensation to individual performance, the Company's attainment of annual and multiyear operating and financial goals and the creation of long-term stockholder value. In accordance with our pay-for-performance philosophy, variable (*i.e.*, at-risk) incentives constituted the most significant portion of total direct compensation for 2018 for our Chief Executive Officer (84%) and other Named Executive Officers as a group (71%). Our Named Executive Officers (NEOs) for 2018 are identified under the caption Compensation Discussion and Analysis Named Executive Officers (NEOs).



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The primary components of our 2018 executive compensation program are summarized in the following table and further described in the Compensation Discussion and Analysis in this Proxy Statement.

<b>ELEMENT</b>	<b>AT-RISK</b>	<b>FORM</b>	<b>METRICS</b>	<b>PURPOSE</b>
Base Salary	No	Cash		Attract and retain highly qualified executives by providing a competitive level of fixed cash compensation that reflects the experience, responsibilities and performance of each executive.
Annual Cash Incentives	Yes	Cash	Adjusted EBITDA (60%) Global Systemwide Sales (20%) North America Same-Restaurant Sales (20%)	Align executive pay with Company performance by motivating and rewarding executives over a one-year period based on the achievement of strategic business objectives.
Long-Term Equity Incentives	Yes	Equity Stock Options (50%) Performance Units (50%)	Cumulative Three-Year Free Cash Flow (50%) Three-Year Relative Total Stockholder Return (50%)	Align the interests of executives with the interests of stockholders and retain highly qualified executives by motivating and rewarding executives to achieve multiyear strategic business objectives. Create a direct link between executive pay and the long-term performance of our Common Stock (defined below).

Consistent with our executive compensation philosophy, the base salaries, target total cash compensation and target total direct compensation of our senior executives for 2018 fell within a competitive range of market median, in the aggregate. The Company's overall operating and financial performance in 2018 supported an annual cash incentive payout at 71.2% of target, prior to adjustment for individual performance for executives other than the Chief

Executive Officer.

We encourage you to read the Compensation Discussion and Analysis in this Proxy Statement for a detailed discussion of how our executive compensation program was designed and implemented in 2018 to achieve our overall compensation objectives. Stockholders should also review the 2018 Summary Compensation Table and other related compensation tables, notes and narratives in this Proxy Statement, which provide detailed information regarding the compensation of our NEOs for 2018.

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**THE ANNUAL MEETING**

**ANNUAL MEETING DETAILS**

The accompanying proxy is being solicited by the Board of Directors of The Wendy's Company in connection with the Company's 2019 Annual Meeting of Stockholders to be held on Tuesday, June 4, 2019 at 10:00 a.m. (Eastern Time) at the Thomas Conference Center located at the Company's principal executive offices at One Dave Thomas Boulevard, Dublin, Ohio 43017, and any adjournment or postponement thereof. Directions to the Annual Meeting are available on our Investor Relations website at [www.irwendys.com/financials/annual-report-and-proxy](http://www.irwendys.com/financials/annual-report-and-proxy). On or about April 19, 2019, this Proxy Statement and an accompanying proxy card will first be mailed to stockholders or made available to stockholders electronically via the Internet at [www.proxyvote.com](http://www.proxyvote.com) and on our Investor Relations website at [www.irwendys.com/financials/annual-report-and-proxy](http://www.irwendys.com/financials/annual-report-and-proxy).

**VOTING YOUR PROXY**

When a stockholder returns a proxy card that is properly signed and dated, the shares represented by the proxy card will be voted by the persons named as proxies in the proxy card in accordance with the stockholder's instructions. If a stockholder returns a signed and dated proxy card without contrary voting instructions, the shares represented by the proxy card will be voted as recommended by the Board of Directors. The Company does not have cumulative voting.

Pursuant to the Company's Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") and By-Laws (as amended and restated, the "By-Laws"), business transacted at the Annual Meeting is limited to the purposes stated in the Notice of Annual Meeting of Stockholders and any other matters that may properly come before the Annual Meeting. Except for the proposals described in this Proxy Statement, no other matters currently are intended to be brought before the Annual Meeting by the Company or, to our knowledge, any other person. The proxy being solicited by the Board, however, conveys discretionary authority to the persons named as proxies in the proxy card to vote on any other matters that may properly come before the Annual Meeting. A proxy may be revoked by a stockholder at any time prior to the time it is voted by giving notice of revocation either personally or in writing to our corporate Secretary at our address stated under the caption "Other Matters" Principal Executive Offices.

**ANNUAL MEETING ADMISSION**

Only holders of shares of the Company's common stock, par value \$0.10 per share (the "Common Stock"), at the close of business on April 8, 2019 (the Annual Meeting record date) and Company guests will be able to attend the Annual Meeting. To be admitted to the Annual Meeting, you will be required to present the documentation described below, based on whether you are a registered stockholder or a beneficial owner of shares. The Company may, in its sole discretion, refuse to accept any presented documentation that the Company believes is invalid, duplicated, fraudulent or otherwise falsified.

**IF YOU ARE A REGISTERED STOCKHOLDER:**

**IF YOU ARE A BENEFICIAL OWNER:**

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1. Valid government-issued photo identification (such as a driver's license or passport); and 1. Valid government-issued photo identification (such as a driver's license or passport); and

2. Valid proof of stock ownership on the record date, meaning one of the following: 2. Valid proof of stock ownership on the record date, meaning one of the following:

Notice of Internet Availability of Proxy Materials;

Notice of Internet Availability of Proxy Materials;

Proxy Card; or

Voting Instruction Form; or

Bank or brokerage statement verifying your stock ownership on the record date.

Bank or brokerage statement verifying your stock ownership on the record date.

3. To vote your shares in person at the Annual Meeting, you must also provide a legal proxy from your broker, bank or other nominee.

Stockholders who hold shares of our Common Stock in a joint account may be admitted to the Annual Meeting if they provide valid proof of joint stock ownership as of the record date and both stockholders provide the required documentation described above.

If you are the representative of a trust or corporation, limited liability company, partnership or other legal entity that holds shares of our Common Stock, you must bring acceptable evidence of your authority to represent that trust or legal entity at the Annual Meeting. Please note that only one representative may attend the Annual Meeting on behalf of each trust or legal entity that holds shares of our Common Stock.

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**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING**

**Q: Who is soliciting my proxy?**

A: The Company's Board of Directors is soliciting your proxy in connection with the Annual Meeting. Certain of our directors, officers and employees also may solicit proxies on the Board's behalf by personal contact, telephone, mail, e-mail or other means. The Company has hired Innisfree M&A Incorporated, 501 Madison Avenue, 20th Floor, New York, New York 10022, to assist in soliciting proxies from brokers, banks and other stockholders.

**Q: What should I do with these materials?**

A: Please carefully read and consider the information contained in this Proxy Statement, and then vote your shares as soon as possible to ensure that your shares will be represented at the Annual Meeting. You may vote your shares prior to the Annual Meeting even if you plan to attend the Annual Meeting in person.

**Q: What am I being asked to vote on?**

A: You are being asked to vote on the following three proposals:

- (1) To elect 11 directors to hold office until the Company's next annual meeting of stockholders;
- (2) To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2019; and
- (3) To approve an advisory resolution to approve executive compensation.

**Q: How do I vote?**

A: You may vote your shares prior to the Annual Meeting in any of the following ways:

Visit the website shown on your Notice of Internet Availability of Proxy Materials, proxy card or voting instruction form to vote via the Internet;

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Use the toll-free telephone number shown on your Notice of Internet Availability of Proxy Materials, proxy card or voting instruction form to vote by telephone; or

Complete, sign, date and return the enclosed proxy card or voting instruction form in the enclosed postage-paid envelope if you have requested and received our proxy materials by mail.

If you are a registered stockholder, you may also vote your shares in person at the Annual Meeting. If you are a beneficial owner that holds your shares in street name and you want to vote those shares in person at the Annual Meeting, then you must obtain a legal proxy from the broker, bank or other nominee who holds the shares on your behalf.

**Q: When is the record date, and who is entitled to vote?**

A: All holders of record of our Common Stock at the close of business on April 8, 2019, the record date for the Annual Meeting, are entitled to vote on all business transacted at the Annual Meeting.

**Q: What is the deadline for submitting a proxy?**

A: In order to be counted, proxies submitted by telephone or via the Internet must be received by 11:59 p.m. (Eastern Time) on Monday, June 3, 2019. Proxies submitted by mail must be received prior to the start of the Annual Meeting.

**Q: What is the difference between a registered stockholder and a beneficial owner or street name holder?**

A: If your shares are registered directly in your name with American Stock Transfer & Trust Company, LLC, our stock transfer agent, you are considered a stockholder of record, or a registered stockholder, of those shares. If your shares are held by a broker, bank or other nominee, you are considered the beneficial owner of those shares, and your shares are said to be held in street name. Your broker, bank or other nominee should have enclosed, or should provide you with, a Notice of Internet Availability of Proxy Materials or a voting instruction form for you to use in directing it on how to vote your shares.

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**Q: What constitutes a quorum?**

A: At the close of business on April 8, 2019, the Company had 230,937,559 shares of Common Stock outstanding and entitled to vote at the Annual Meeting. Each share of Common Stock entitles the holder to one vote on each matter properly brought before the Annual Meeting. The presence, in person or by proxy, of stockholders entitled to cast at least a majority of the votes that all stockholders are entitled to cast at the Annual Meeting will constitute a quorum. Abstentions and broker non-votes (described below) will be included for purposes of determining whether a quorum is present at the Annual Meeting.

**Q: What are abstentions and broker non-votes and how do they affect voting?**

A: *Abstentions.* If you specify on your proxy card that you abstain from voting on an item, your shares will be counted as present and entitled to vote for the purpose of establishing a quorum. Abstentions will be the equivalent of an against vote on proposals that require the affirmative vote of a majority of the shares of Common Stock present (in person or by proxy) and entitled to vote at the Annual Meeting (Proposals 2 and 3). Abstentions will not be included in the tabulation of voting results for proposals that require the affirmative vote of a majority of the votes cast (Proposal 1).

*Broker Non-Votes.* Under the rules of The Nasdaq Stock Market ( Nasdaq ), if your shares are held in street name, then your broker has discretion to vote your shares without instructions from you on certain routine proposals, such as the ratification of the appointment of the Company s independent registered public accounting firm (Proposal 2). Your broker does not, however, have such discretion on the election of directors (Proposal 1) or the advisory resolution to approve executive compensation (Proposal 3). If you do not provide your broker with voting instructions for these proposals, then your broker will be unable to vote on these proposals and will report your shares as broker non-votes on these proposals. Like abstentions, broker non-votes are counted as present for the purpose of establishing a quorum, but, unlike abstentions, they are not counted for the purpose of determining the number of shares present (in person or by proxy) and entitled to vote on particular proposals. As a result, broker non-votes will not be included in the tabulation of voting results for proposals that require the affirmative vote of a majority of the votes cast (Proposal 1) or the affirmative vote of a majority of the shares of Common Stock present (in person or by proxy) and entitled to vote at the Annual Meeting (Proposal 3). Because brokers are entitled to vote on Proposal 2, we do not anticipate any broker non-votes with regard to that proposal.

**Q: What vote is needed to elect the 11 director nominees (Proposal 1)?**

A: Pursuant to our By-Laws, each of the 11 director nominees must receive the affirmative vote of a majority of the votes cast with respect to that nominee s election in order to be elected as a director at the Annual Meeting.

**Q: What vote is needed to ratify the appointment of the Company s independent registered public accounting firm (Proposal 2)?**

A: The affirmative vote of a majority of the shares of Common Stock present (in person or by proxy) and entitled to vote at the Annual Meeting is required to ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for 2019 (Proposal 2).

**Q: What vote is needed to approve the advisory resolution to approve executive compensation (Proposal 3)?**

A: The affirmative vote of a majority of the shares of Common Stock present (in person or by proxy) and entitled to vote at the Annual Meeting is required to approve the advisory resolution to approve the 2018 executive compensation of our NEOs (Proposal 3). The vote is advisory and therefore not binding on the Company, the Board of Directors or the Compensation Committee of the Board. However, the Compensation Committee will review the voting results of Proposal 3 and take those results into consideration when making future decisions regarding executive compensation as the Compensation Committee deems appropriate.

**Q: How do Nelson Peltz and Peter May intend to vote?**

A: The Company has been informed that the shares of Common Stock beneficially owned as of the record date by Nelson Peltz and Peter May, which represent, in the aggregate, approximately 19.2% of the votes entitled to be cast at the Annual Meeting, will be voted in accordance with the recommendations of the Board of Directors **FOR** the election of each of the 11 director nominees named in Proposal 1 and **FOR** Proposals 2 and 3.



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**Q: If I deliver my proxy card (whether signed or unsigned) or voting instruction form but do not indicate how I want to vote on the proposals, how will my shares be voted?**

A: If you submit your proxy card or voting instruction form but do not indicate how you want to vote on the proposals, your proxy will be counted as a vote in accordance with the recommendations of the Board of Directors **FOR** the election of each of the 11 director nominees named in Proposal 1 and **FOR** Proposals 2 and 3.

**Q: Can I change my vote after I have delivered my proxy card or voting instruction form?**

A: Yes. You can change your vote at any time before your proxy is voted at the Annual Meeting by revoking your proxy. You can revoke your proxy by giving notice of revocation either personally or in writing to our corporate Secretary at the address provided under the caption Other Matters Principal Executive Offices. You also can revoke your proxy by submitting a later-dated proxy by mail, by telephone, via the Internet or by attending and voting in person at the Annual Meeting. Your attendance at the Annual Meeting by itself will not revoke a previously submitted proxy.

If your shares are held in an account with a broker, bank or other nominee, you should contact your broker, bank or other nominee if you wish to change your vote or revoke your proxy.

**Q: Why did I receive a Notice of Internet Availability of Proxy Materials instead of the printed Proxy Statement and 2018 Annual Report to Stockholders?**

A: As permitted by SEC rules, we are making our proxy materials available to stockholders electronically via the Internet at [www.proxyvote.com](http://www.proxyvote.com) and on our Investor Relations website at [www.irwendys.com/financials/annual-report-and-proxy](http://www.irwendys.com/financials/annual-report-and-proxy). On or about April 19, 2019, we will begin mailing the Notice of Internet Availability of Proxy Materials (the Notice of Internet Availability ) to our stockholders containing information on how to access our proxy materials online or request a printed copy of the proxy materials. If you received a Notice of Internet Availability, then you will not receive a printed copy of our proxy materials unless you request a printed copy by following the instructions contained in the Notice of Internet Availability. Adopting this notice and access process allows us to reduce the overall costs, as well as the environmental impact, of printing and mailing our proxy materials.

**Q: What does it mean if I receive more than one Notice of Internet Availability of Proxy Materials, proxy card or voting instruction form?**

A:

If you receive more than one Notice of Internet Availability, proxy card or voting instruction form, this means that you have multiple accounts with our stock transfer agent or with brokers, banks or other nominees. Please follow the instructions set forth on each Notice of Internet Availability, proxy card or voting instruction form you receive to ensure that all your shares are voted.

**Q: Who will bear the expenses of this solicitation?**

A: The Company will pay the costs and expenses of this solicitation. In addition to soliciting proxies by mailing our proxy materials to stockholders and by making our proxy materials available to stockholders electronically via the Internet, proxies may be solicited by our directors, officers and employees by personal contact, telephone, mail, e-mail or other means without additional compensation. Solicitation of proxies will also be made by employees of Innisfree M&A Incorporated, our proxy solicitation firm, who will be paid a fee of \$20,000, plus reasonable out-of-pocket expenses. As is customary, we will also reimburse brokers, banks, custodians, nominees and fiduciaries for their reasonable costs and expenses incurred in forwarding our proxy materials to beneficial owners of our Common Stock.

**Q: Where can I find the voting results of the Annual Meeting?**

A: We intend to announce preliminary voting results at the Annual Meeting and publish final voting results in a Current Report on Form 8-K filed with the SEC within four business days of the Annual Meeting. After the Form 8-K has been filed, the Form 8-K will be publicly available on the SEC website at [www.sec.gov](http://www.sec.gov) and our Investor Relations website at [www.irwendys.com/financials/sec-filings](http://www.irwendys.com/financials/sec-filings).

**Q: Whom should I call with questions?**

A: Please call Innisfree M&A Incorporated, the Company's proxy solicitation firm, toll-free at (888) 750-5834 with any questions about the Annual Meeting. Brokers, banks and other nominees may call Innisfree M&A Incorporated at (212) 750-5833.

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**PROPOSAL 1**

**ELECTION OF DIRECTORS**

(Item 1 on the Company's Proxy Card)

The Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated the 11 persons named below for election as directors of the Company at the Annual Meeting. Each of the nominees is presently serving as a director of the Company, and each of the nominees was elected as a director at the Company's 2018 annual meeting of stockholders.

The Board of Directors recommends that the 11 nominees named below be elected as directors of the Company at the Annual Meeting. If elected, each of the nominees will hold office until the Company's next annual meeting of stockholders and until his or her successor is elected and qualified, or until his or her earlier death, resignation, retirement, disqualification or removal. The persons named as proxies in the accompanying proxy card will vote **FOR** the election of each of the 11 nominees unless a stockholder directs otherwise.

Each nominee has consented to be named and to serve as a director if elected at the Annual Meeting. The Company is unaware of any reason why any nominee would be unwilling or unable to serve as a director if elected. Should, however, any nominee be unwilling or unable to serve as a director at the time of the Annual Meeting, the persons named as proxies in the accompanying proxy card will vote for the election of such substitute person for such directorship as the Board of Directors may recommend.

**Table of Contents****DIRECTOR NOMINEE QUALIFICATIONS AND BIOGRAPHICAL INFORMATION****NELSON PELTZ (CHAIRMAN)**

Mr. Peltz has been a director of the Company since September 2008 when the Company commenced its current business, the ownership and franchising of the Wendy's restaurant system. He served as a director of the Company's predecessor companies from April 1993 until September 2008, when Wendy's International, Inc. merged with Triarc Companies, Inc. Mr. Peltz has served as our non-executive Chairman since June 2007. He also served as our Chairman and Chief Executive Officer and as a director or manager and an officer of certain of our subsidiaries from April 1993 through June 2007. Additionally, Mr. Peltz has been Chief Executive Officer and a Founding Partner of Trian Fund Management, L.P. (Trian Partners), a management company for various investment funds and accounts, since November 2005. From January 1989 to April 1993, Mr. Peltz was Chairman and Chief Executive Officer of Trian Group, Limited Partnership, which provided investment banking and management services for entities controlled by Mr. Peltz and Peter W. May. From 1983 to December 1988, Mr. Peltz was Chairman and Chief Executive Officer and a director of Triangle Industries, Inc., a metals and packaging company.

Mr. Peltz has also served as a director of Sysco Corporation since August 2015, The Madison Square Garden Company since September 2015 and The Procter & Gamble Company since March 2018. Mr. Peltz previously served as a director of H. J. Heinz Company from September 2006 to June 2013, Ingersoll-Rand plc from August 2012 to June 2014, Legg Mason, Inc. from October 2009 to December 2014, MSG Networks Inc. from December 2014 to September 2015 and Mondelēz International, Inc. from January 2014 to March 2018.

**Qualifications:** Mr. Peltz has more than 40 years of business and investment experience, has served as the chairman and chief executive officer of public companies for over 20 years and, since 2005, has served as Chief Executive Officer of Trian Partners. Throughout his professional career, he has developed extensive experience working with management teams and boards of directors, as well as in acquiring, investing in and building companies and implementing operational improvements at the companies with which he has been involved. As a result, Mr. Peltz has strong operating experience and strategic planning skills, valuable leadership and corporate governance experience and strong relationships with institutional investors, investment banking/capital markets advisors and others that can be drawn upon for the Company's benefit. Mr. Peltz has also been recognized by the National Association of Corporate Directors as among the most influential people in the global corporate governance arena. We believe that Mr. Peltz's overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 76

**Director Since:** 1993

**Current Board Committees:**

Mr. Peltz is actively involved with various civic organizations and serves as Honorary Co-Chairman of the board of trustees and Chairman of the board of governors of the Simon Wiesenthal Center, a member of the honorary board of directors of the Prostate Cancer Foundation, a member of the board of overseers of the Weill Cornell Medical College and Graduate School of Medical Sciences, a member of the board of overseers of The Milken Institute, a member of the Intrepid advisory council, a member of both the board of trustees of New York-Presbyterian Hospital and board of governors of New York-Presbyterian Foundation, Inc., and an advisor and member of the executive council of No Labels, an organization that seeks to build a bipartisan centrist bloc in Congress.

Mr. Peltz is the father of Matthew H. Peltz, a director of the Company.

Corporate Social Responsibility (*Chair*)

Executive (*Chair*)

**Table of Contents****PETER W. MAY (VICE CHAIRMAN)**

Mr. May has been a director of the Company since September 2008 when the Company commenced its current business, the ownership and franchising of the Wendy's restaurant system. He served as a director of the Company's predecessor companies from April 1993 until September 2008, when Wendy's International, Inc. merged with Triarc Companies, Inc. Mr. May has served as our non-executive Vice Chairman since June 2007. He also served as our President and Chief Operating Officer and as a director or manager and an officer of certain of our subsidiaries from April 1993 through June 2007. Additionally, Mr. May has been President and a Founding Partner of Trian Partners since November 2005. From January 1989 to April 1993, Mr. May was President and Chief Operating Officer of Trian Group, Limited Partnership. From 1983 to December 1988, he was President and Chief Operating Officer and a director of Triangle Industries, Inc.

Mr. May has served as a director of Mondelez International, Inc. since March 2018. He previously served as a director of Tiffany & Co. from May 2008 to May 2017.

Mr. May is actively involved with various civic organizations and serves as Chairman of the board of trustees of The Mount Sinai Health System in New York, Vice Chairman of the New York Philharmonic, a trustee of the New-York Historical Society, an *emeritus* trustee of The University of Chicago, a life member of the advisory council of The University of Chicago Booth School of Business, a director of the Lincoln Center of the Performing Arts, a partner of the Partnership for New York City and a member of the executive council of No Labels, an organization that seeks to build a bipartisan

**Qualifications:** Mr. May has more than 40 years of business and investment experience, has served as the president and chief operating officer of public companies for over 20 years and, since 2005, has served as President of Trian Partners. Throughout his professional career, he has developed extensive experience working with management teams and boards of directors, as well as in acquiring, investing in and building companies and implementing operational improvements at the companies with which he has been involved. Mr. May also brings to the Board financial sophistication by virtue of his prior professional experience as a certified public accountant. As a result, Mr. May has strong operating experience and strategic planning skills, valuable leadership and corporate governance experience and has strong relationships with institutional investors, investment banking/capital markets advisors and others that can be drawn upon for the Company's benefit. We believe that Mr. May's overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 76

**Director Since:** 1993

**Current Board Committees:**

Capital and Investment (*Chair*)

Compensation

centrist bloc in Congress.

Corporate Social Responsibility

Executive

Technology (*Chair*)

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**Table of Contents****KRISTIN A. DOLAN**

Ms. Dolan was elected as a director of the Company in July 2017. She is the founder and has been the Chief Executive Officer of 605 LLC, an audience measurement and data analytics company in the media and entertainment industries, since its inception in November 2016. Prior to founding 605 LLC, Ms. Dolan worked at Cablevision Systems Corporation, a former large communications service provider sold in 2016, where she held several key leadership positions, including Chief Operating Officer from April 2014 to June 2016, President of Optimum Services from November 2011 to April 2014, Senior Executive Vice President of Product Management and Marketing from November 2011 to April 2013 and Senior Vice President from June 2003 to November 2011.

Ms. Dolan has also served as a director of AMC Networks Inc. since June 2011, The Madison Square Garden Company since September 2015, Revlon, Inc. since May 2017 and MSG Networks Inc. since April 2018. She previously served as a director of Cablevision Systems Corporation from May 2010 to June 2016.

**Qualifications:** Ms. Dolan brings to our Board substantial expertise in television audience data analytics, information integration and strategic marketing. Her breadth of knowledge and experience is attributable to her extensive professional background in communications, marketing and operations at Cablevision Systems Corporation, where she also held several key senior leadership positions. Ms. Dolan provides intimate and unique knowledge of television marketing campaigns, consumer data utilization, current and sophisticated data methodologies, predictive modeling and media expertise, each of which are important to the Company's business. She also possesses significant executive management experience, which includes insight into corporate governance, working with management teams and boards of directors, finance, mergers & acquisitions, budgeting and strategic planning. We believe that Ms. Dolan's overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 53

**Director Since:** 2017

**Current Board Committees:**

Technology



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**Table of Contents****KENNETH W. GILBERT**

Mr. Gilbert has been a director of the Company since May 2017. From October 2012 to December 2017, he served as the Group Chief Marketing Officer of VOSS of Norway ASA, a global manufacturer and marketer of premium bottled water. Prior to joining VOSS, Mr. Gilbert founded and served as the President of RazorFocus, a marketing consultant practice, from May 2005 to October 2012. Prior to that, he served as President and Chief Operating Officer of UniWorld Group, Inc., the longest established multicultural advertising agency in the U.S., from May 2003 to June 2004. From September 1995 to April 2001, Mr. Gilbert worked at Snapple Beverage Corporation (formerly Snapple Beverage Group, Inc.) as Senior Vice President and Chief Marketing Officer, where he led marketing efforts to revitalize the brand and assembled four company brands for successful disposition. Prior to his employment with Snapple, Mr. Gilbert served as Group Account Director at the Messner Vetere Berger Carey Schmetterer RSCG advertising agency from July 1991 to August 1995 and as Senior Vice President and Director of Client Services at UniWorld Group, Inc. from February 1989 to June 1991.

Mr. Gilbert also serves as Chairman for YourBevCo, LLC, a company that develops consumer devices to remove problematic ingredients from beverages known to cause allergic or sensitivity reactions.

**Qualifications:** Mr. Gilbert possesses extensive experience in global brand management, marketing communications, advertising strategy and corporate social responsibility attributable to his overall professional background as a senior marketing executive in the consumer beverage industry. In his former role as Chief Marketing Officer for VOSS, Mr. Gilbert oversaw the company's marketing function, administered multimillion dollar budgets, directed internal marketing capabilities and managed the company's strategic worldwide brand development, expansion and distribution. His Board qualifications include his in-depth knowledge and expertise in innovative brand revitalization, risk orientation, advertising conceptualization and public relations. Mr. Gilbert also provides valuable and unique insights into consumer brand positioning strategies, new product development, digital and social media platforms and cultivation of brand recognition and value, all of which are important to the Company's business. We believe that Mr. Gilbert's overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 68

**Director Since:** 2017

**Current Board Committees:**

Corporate Social Responsibility

Technology



**Table of Contents****DENNIS M. KASS**

Mr. Kass has been a director of the Company since December 2015. From February 2013 to June 2014, Mr. Kass served as Vice Chairman and a Senior Advisor at Ridgeway Partners, an executive search firm. From 2003 to 2012, Mr. Kass served as Chairman and Chief Executive Officer of Jennison Associates, LLC, an institutional asset manager. Prior to joining Jennison Associates, Mr. Kass spent 13 years with JPMorgan investment management unit, last serving as Vice Chairman and Chief Fiduciary Officer of JPMorgan Fleming Asset Management, and he was also Vice President of the investment banking division at Goldman Sachs & Co. Also, Mr. Kass served in the Reagan Administration as the Assistant Secretary of Labor for Pension and Welfare Benefits under the Employee Benefits Security Administration from 1985 to 1987 and was a Special Assistant to the President for Policy Development from 1981 to 1982.

Mr. Kass served as a director of Legg Mason, Inc. from April 2013 to July 2017 and was the non-executive Chairman of Legg Mason from July 2013 to October 2014. Mr. Kass also served as an Advisory Partner of Trian Partners until December 2017.

Mr. Kass serves as a senior advisor for First Eagle Investment Management, LLC and as a member of the Center for Strategic and International Studies advisory board and the advisory board for finance and the global executive board for the MIT Sloan School of Management. During 2018, he also served on the Lockheed Martin investment management company advisory board.

**Qualifications:** Mr. Kass has significant knowledge and expertise in financial and asset management, accounting processes, corporate governance and public policy that is derived from his diverse professional and public service experiences. He also has notable experience with the implementation and oversight of investment product lines, retail and institutional distribution capabilities and overall business operations. Mr. Kass brings to our Board valuable leadership experience in working with management teams and boards of directors, as well as extensive knowledge and insight in finance, mergers and acquisitions, capital management, governance and regulatory matters relevant to public company audit, compensation and benefits committees. Mr. Kass has also acquired financial sophistication by virtue of his business experience and professional background, including his past service as Chief Executive Officer and Chief Fiduciary Officer of two different companies. We believe that Mr. Kass' overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 68

**Director Since:** 2015

**Current Board Committees:**

Audit

Compensation

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**Table of Contents****JOSEPH A. LEVATO**

Mr. Levato has been a director of the Company since September 2008 when the Company commenced its current business, the ownership and franchising of the Wendy's restaurant system. He served as a director of the Company's predecessor companies from June 1996 until September 2008, when Wendy's International, Inc. merged with Triarc Companies, Inc. Mr. Levato also served as Executive Vice President and Chief Financial Officer of the Company and certain of our subsidiaries from April 1993 to August 1996, when he retired from the Company. Prior to that, he was Senior Vice President and Chief Financial Officer of Trian Group, Limited Partnership from January 1992 to April 1993. From 1984 to December 1988, Mr. Levato served as Senior Vice President and Chief Financial Officer of Triangle Industries, Inc.

**Qualifications:** Mr. Levato has significant knowledge of industrial, financial and consumer-related businesses that is derived from his professional background, including several years of senior management and leadership experience with the Company. Mr. Levato brings to our Board an intimate knowledge of governance and regulatory matters relevant to public company audit and compensation committees. He also brings valuable financial and investment expertise to our Board by virtue of his senior executive and business experience, including his past service as Chief Financial Officer of three different companies. The Board of Directors has determined that Mr. Levato qualifies as an audit committee financial expert within the meaning of SEC regulations and as a financially sophisticated audit committee member under applicable Nasdaq rules. We believe that Mr. Levato's overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 78

**Director Since:** 1996

**Current Board Committees:**

Audit

Compensation

Executive

Nominating and Corporate Governance



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**MICHELLE MICH J. MATHEWS-SPRADLIN**

Ms. Mathews-Spradlin has been a director of the Company since February 2015. From 1993 until her retirement in 2011, Ms. Mathews-Spradlin worked at Microsoft Corporation, where she served as Chief Marketing Officer and held several other key leadership positions prior to that time. Prior to her employment with Microsoft, Ms. Mathews-Spradlin worked in the United Kingdom as a communications consultant for Microsoft from 1989 to 1993. Prior to that, she held various roles at General Motors Co. from 1986 to 1989.

Ms. Mathews-Spradlin also serves as a board member of several private companies, including Jacana Holdings Inc., The Bouqs Company and You & Mr Jones. She is also a digital advisory board member for Unilever PLC, a member of the board of trustees of the California Institute of Technology and a member of the executive board of the UCLA School of Theater, Film and Television.

**Qualifications:** Ms. Mathews-Spradlin possesses extensive experience in global brand management and a deep understanding of the technology industry attributable to her background as a senior executive at Microsoft Corporation, one of the world’s largest technology companies. In her role as Chief Marketing Officer, she oversaw the company’s global marketing function, managed a multibillion dollar marketing budget and an organization of several thousand people, and built demand for the company’s technology brands, including Windows, Office, Xbox, Bing and Internet Explorer. Ms. Mathews-Spradlin provides the Board with substantial and unique insights into digital media and marketing strategies, as well as an in-depth understanding of consumer-facing technology, all of which are important to the Company’s business. We believe that Ms. Mathews-Spradlin’s overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 52

**Director Since:** 2015

**Current Board Committees:**

Compensation

Corporate Social Responsibility

Technology



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**MATTHEW H. PELTZ**

Mr. Peltz has been a director of the Company since December 2015. Mr. Peltz is a Partner and Senior Analyst and has been a member of the Investment Team of Trian Partners since January 2008. As a senior member of the Investment Team, he sources and generates new investment ideas, leads due diligence on potential investments and focuses on portfolio construction, risk management and corporate governance matters. Prior to joining Trian Partners, Mr. Peltz was with Goldman Sachs & Co. from May 2006 to January 2008, where he worked as an investment banking analyst and subsequently joined Liberty Harbor, an affiliated multi-strategy hedge fund.

Mr. Peltz previously served as a director (from April 2018 to September 2018) and as a board observer (from September 2015 to April 2018) of Pentair plc. He also previously served as a director of the former parent company of the Arby's® restaurant brand from September 2012 to December 2015. Mr. Peltz is also a member of the board of managers of Hu Master Holdings, LLC.

Mr. Peltz is the son of Nelson Peltz, the non-executive Chairman and a director of the Company.

**Qualifications:** Mr. Peltz's qualifications to serve on our Board include his breadth of knowledge and experience in corporate finance, mergers and acquisitions, capital allocation and operational improvements attributable to his professional background, including his service as a senior member of Trian Partners' Investment Team where he focuses on, among other things, environmental, social and governance issues across the Trian Partners portfolio. Mr. Peltz also provides our Board with valuable experience and unique insight into the quick-service restaurant industry from his recent service as a director of ARG Holding Corporation. We believe that Mr. Peltz's overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 36

**Director Since:** 2015

**Current Board Committees:**

Capital and Investment

Corporate Social Responsibility

Technology

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**TODD A. PENEGOR**

Mr. Penegor has been a director of the Company since May 2016. He joined the Company in June 2013 and has served as our President and Chief Executive Officer since May 2016. Prior to that, he served as our President and Chief Financial Officer from January 2016 to May 2016. Mr. Penegor also served as our Executive Vice President, Chief Financial Officer and International from December 2014 to January 2016 and as Senior Vice President and Chief Financial Officer from September 2013 to December 2014. Prior to joining the Company, Mr. Penegor worked at Kellogg Company, a global leader in food products, from 2000 to 2013 where he held several key leadership positions, including Vice President of Kellogg Company and President of U.S. Snacks from 2009 to 2013, Vice President and Chief Financial Officer of Kellogg Europe from 2007 to 2009 and Vice President and Chief Financial Officer of Kellogg USA and Kellogg Snacks from 2002 to 2007. Prior to joining Kellogg, Mr. Penegor worked for 12 years at Ford Motor Company in various positions, including strategy, mergers and acquisitions, the controller's office and treasury.

Mr. Penegor is actively involved with various civic organizations and serves as Vice Chair of the board of trustees of the Dave Thomas Foundation for Adoption and as a member of the Michigan State University Eli Broad College of Business financial advisory board.

**Qualifications:** In addition to serving as our President and Chief Executive Officer, Mr. Penegor has extensive experience as an executive in the food products and consumer goods industries, including several years of senior management and leadership experience with Kellogg Company and Ford Motor Company. Mr. Penegor provides the Board with significant expertise in matters of corporate finance, business administration, investor relations, financial reporting, strategic planning, brand building and domestic and international operations, all of which are important to the Company's business. We believe that Mr. Penegor's overall experience and knowledge will benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 53

**Director Since:** 2016

**Current Board Committees:**

Capital and Investment

Executive

**Table of Contents****PETER H. ROTHSCHILD**

Mr. Rothschild has been a director of the Company since May 2010. He served as a director of Wendy's International from March 2006 until its merger with the Company in September 2008. Since December 2018, Mr. Rothschild has been a Partner and head of the General Industries and Special Situations group at East Wind Advisors, LLC and its affiliated broker-dealer, East Wind Securities, LLC. Mr. Rothschild has been the Managing Member of Daroth Capital LLC, a financial services company, since its founding in 2001, and he served as President and CEO of its wholly-owned subsidiary, Daroth Capital Advisors LLC, a securities broker-dealer, from 2002 to 2018 until its merger with East Wind Advisors, LLC. Prior to founding Daroth Capital LLC, Mr. Rothschild was a Managing Director and co-head of the Leveraged Finance and Industrial Finance groups at Dresdner Kleinwort Wasserstein and its predecessor Wasserstein Perella, an investment bank, where he worked from 1996 to 2001. From 1990 to 1996, Mr. Rothschild was a Senior Managing Director and head of the Natural Resources Group at Bear, Stearns & Co. Inc. and one of the founders of the firm's Leveraged Finance and Financial Buyer Coverage groups. From 1984 to 1990, he was a Managing Director at Drexel Burnham Lambert.

Mr. Rothschild previously served as a director of Deerfield Capital Corp., predecessor to CIFIC Corp. (acquired by F.A.B. Partners), from December 2004 to April 2011 and as Interim Chairman of Deerfield Capital Corp.'s board of directors from April 2007 to April 2011.

Mr. Rothschild is also actively involved with various civic organizations and serves as a member of The Mount Sinai Medical Center Samuel Bronfman Department of Medicine advisory board, the Tufts University School of Engineering board of advisors and the Tufts University Entrepreneurship Center advisory board.

**Qualifications:** Mr. Rothschild has been employed as an investment banker since 1981. He has served on the board of directors of numerous companies, including Wendy's International and Deerfield Capital, where he served as Interim Chairman. As a result of his professional background, Mr. Rothschild brings to our Board a deep understanding of corporate governance principles and extensive knowledge and experience in finance, mergers and acquisitions, capital management, corporate restructurings and the quick-service restaurant industry, all of which are important to the Company's business. We believe that Mr. Rothschild's overall experience and knowledge benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 63

**Director Since:** 2010

**Current Board Committees:**

Audit

Compensation (*Chair*)

Nominating and Corporate Governance (*Chair*)



**Table of Contents****ARTHUR B. WINKLEBLACK**

Mr. Winkleblack has been a director of the Company since May 2016. Mr. Winkleblack provides financial, strategic planning and capital markets consulting services for Ritchie Bros. Auctioneers, a global leader in asset management and disposition and the world's largest industrial auctioneer, where he has served as Senior Advisor to the CEO since June 2014. In June 2013, he retired from H. J. Heinz Company, a global packaged food manufacturer, where he had been employed as Executive Vice President and Chief Financial Officer since 2002. From 1999 to 2001, Mr. Winkleblack worked at Indigo Capital as Acting Chief Operating Officer of Perform.com and Chief Executive Officer of Freeride.com. Prior to that, he served as Executive Vice President and Chief Financial Officer of C. Dean Metropoulos Group from 1998 to 1999, as Vice President and Chief Financial Officer of Six Flags Entertainment Corporation from 1996 to 1998 and as Vice President and Chief Financial Officer of Commercial Avionics Systems, a division of AlliedSignal, Inc., from 1994 to 1996. Previously, he held various finance, strategy and business planning roles at PepsiCo, Inc. from 1982 to 1994.

Mr. Winkleblack has served as a director of Church & Dwight Co., Inc. since January 2008 and Performance Food Group Company since March 2015. He previously served as a director of RTI International Metals, Inc. from December 2013 until the company was acquired by Alcoa Corporation in July 2015.

**Qualifications:** Mr. Winkleblack has substantial experience as a senior executive and director across a broad range of industries, giving him knowledgeable perspectives on financial and strategic planning for domestic and international operations. Mr. Winkleblack's 12 years of experience as Chief Financial Officer of a large, multinational consumer goods company enables him to bring valuable insight to the Board on a number of topics, including compliance, performance and risk management, executive compensation, business analytics, finance and capital structure, investor relations, internal controls, financial reporting, information technology and mergers & acquisitions. His executive experience with Heinz and PepsiCo, as well as his board experience with Performance Food Group Company, provides a unique perspective on product supply dynamics for the quick-service restaurant industry. The Board of Directors has determined that Mr. Winkleblack qualifies as an "audit committee financial expert" within the meaning of SEC regulations and as a "financially sophisticated" audit committee member under applicable Nasdaq rules. We believe that Mr. Winkleblack's overall experience and knowledge will benefit and contribute to the collective qualifications, skills and experience of our Board of Directors.

**Age:** 61

**Director Since:** 2016

**Current Board Committees:**

Audit (*Chair*)

**REQUIRED VOTE**

The affirmative vote of a majority of the votes cast with respect to the election of a director nominee is required to elect such nominee as a director at the Annual Meeting. Abstentions and broker non-votes will not be included in the tabulation of voting results for this proposal.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR  
THE ELECTION OF EACH OF THE 11 DIRECTOR NOMINEES.**

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**CORPORATE GOVERNANCE**

**BOARD LEADERSHIP STRUCTURE**

The Board of Directors is currently led by Nelson Peltz, the Company's non-executive Chairman, and Mr. May, the Company's non-executive Vice Chairman. Mr. Penegor, the Company's Chief Executive Officer, also serves as a member of the Board. Meetings of the Board of Directors are called to order and led by the Chairman or, in his absence, the Vice Chairman, or in the absence of both, the Chief Executive Officer. In the absence of the Chairman, Vice Chairman and Chief Executive Officer, a majority of the directors present may elect any director present as chairman of the meeting. Non-management directors generally meet in executive session without management present after each regularly scheduled Board meeting.

The Board of Directors separated the positions of Chairman and Chief Executive Officer in June 2007 when Mr. Peltz, after serving as Chairman and Chief Executive Officer of the predecessor of the Company from 1993 to June 2007, became our non-executive Chairman. The positions of Chairman and Chief Executive Officer have remained separate since that time, with Mr. Peltz currently serving as our non-executive Chairman and Mr. Penegor currently serving as our Chief Executive Officer.

The Board believes that separating these two positions enables our Chairman to lead the Board of Directors in its oversight and advisory roles and allows our Chief Executive Officer to focus on supervising the Company's day-to-day business operations and developing and implementing the Company's business strategies and objectives. Because of the many responsibilities of the Board of Directors and the significant time and effort required by each of the Chairman and the Chief Executive Officer to perform their respective duties, the Board believes that having separate persons in these roles enhances the ability of each to discharge those duties effectively and, as a result, enhances the Company's prospects for success. The Board also believes that having separate positions of Chairman and Chief Executive Officer provides a clear delineation of responsibilities for each position and fosters greater accountability of management.

The Board of Directors has carefully considered and approved its current leadership structure and believes that this structure is appropriate and in the best interests of the Company and our stockholders, who benefit from the combined leadership, judgment, knowledge and experience of our Chairman, Mr. Peltz, and our Chief Executive Officer, Mr. Penegor.

**BOARD MEMBERSHIP CRITERIA AND DIRECTOR NOMINATIONS**

The Board of Directors adopted general Board membership criteria, which are set forth in the Company's Corporate Governance Guidelines. The Board seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. The Board's assessment of potential director candidates includes an individual's qualification as independent, as well as consideration of diversity, age, educational background, other board experience and commitments, business and professional achievements, skills and experience in the context of the needs of the Board. The Company does not have a stated policy regarding the diversity of nominees or Board members; rather, the Nominating and Corporate Governance Committee and the Board view diversity (whether based on concepts such as gender, race and national origin, or broader principles such as differences in backgrounds, skills, experiences and viewpoints) as one of many elements to be considered when evaluating a particular candidate for Board membership.

The Nominating and Corporate Governance Committee considers recommendations regarding possible director candidates from any source, including stockholders. Stockholders may recommend director candidates for



consideration by the Nominating and Corporate Governance Committee by giving written notice of the recommendation to the Chair of the Nominating and Corporate Governance Committee, in care of our corporate Secretary at our address provided under the caption "Other Matters - Principal Executive Offices." The notice must: (i) include the candidate's name, age, business address, residence address and principal occupation; (ii) describe the qualifications, attributes, skills or other qualities possessed by the candidate; and (iii) be accompanied by a written statement from the candidate consenting to serve as a director, if elected. Candidates who have been recommended by stockholders will be evaluated by the Nominating and Corporate Governance Committee in the same manner as other potential candidates. Stockholders who wish to formally nominate a candidate for election to the Board may do so provided they comply with the applicable eligibility, notice, content, stock ownership and other requirements set forth in our Certificate of Incorporation and By-Laws, which are described under the caption "Other Matters - Stockholder Proposals for 2020 Annual Meeting of Stockholders."

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**DIRECTOR INDEPENDENCE**

Under the rules and listing standards of Nasdaq, the Board of Directors must have a majority of directors who meet the criteria for independence required by Nasdaq. Pursuant to our Corporate Governance Guidelines, the Board is required to determine whether each director satisfies the criteria for independence based on all relevant facts and circumstances. No director qualifies as independent unless the Board of Directors affirmatively determines that such director has no relationship that, in the opinion of the Board, would interfere with his or her exercise of independent judgment in carrying out the responsibilities of a director.

In accordance with the Corporate Governance Guidelines, the Board adopted the Director Independence Categorical Standards (the Independence Standards ) to assist the Board in determining the independence of the Company s directors. The Corporate Governance Guidelines and Independence Standards are available on our Governance website at [www.irwendys.com/esg/governance](http://www.irwendys.com/esg/governance). Pursuant to the Independence Standards, the following relationships will preclude a director from qualifying as independent:

The director is, or at any time during the past three years was, an employee of the Company, or an immediate family member of the director is, or at any time during the past three years was, an executive officer of the Company;

The director or an immediate family member of the director accepted, during any 12-month period within the past three years, more than \$120,000 in direct or indirect compensation from the Company, other than: (i) compensation for Board or Board committee service; (ii) compensation paid to an immediate family member who is a non-executive employee of the Company; or (iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation;

The director or an immediate family member of the director (i) is a current partner of the Company s outside auditor or (ii) was a partner or employee of the Company s outside auditor who worked on the Company s audit at any time during the past three years;

The director or an immediate family member of the director is employed as an executive officer of another entity where at any time during the past three years any of the Company s executive officers served on the compensation committee of such other entity; or

The director or an immediate family member of the director is a partner in, or a controlling stockholder or an executive officer of, any organization (including a non-profit organization, foundation or university) to which the Company made, or from which the Company received, payments for property or services in the current fiscal year or any of the past three fiscal years that exceed the greater of \$200,000 or 5% of the recipient s consolidated gross revenues for that year, other than (i) payments arising solely from investments in the Company s securities and (ii) payments under non-discretionary charitable contribution matching programs.

In applying these objective disqualifiers, the Board of Directors will take into account any commentary, interpretations or other guidance provided by Nasdaq with respect to Nasdaq Listing Rule 5605. Under the Independence Standards, any relationships or transactions not described above will preclude a director from qualifying

as independent only if:

The director has a direct or indirect material interest in such relationship or transaction within the meaning of Item 404(a) of SEC Regulation S-K and the material terms of the relationship or transaction are materially more favorable to the director than those that would be offered at the time and in comparable circumstances to unaffiliated persons; or

The Board of Directors, in exercising its judgment in light of all relevant facts and circumstances, determines that the relationship or transaction interferes with the director's exercise of independent judgment in carrying out the responsibilities of a director.

The Independence Standards provide that a relationship between the Company and an entity for which a director serves solely as a non-management director is not by itself material.

The Nominating and Corporate Governance Committee and the Board of Directors considered and reviewed certain transactions and relationships identified through responses to annual questionnaires completed by the Company's directors, as well as other information presented by management related to transactions and relationships during the past three years between the Company, on the one hand, and the directors (including their immediate family members and business, charitable and other affiliates), on the other hand. As a result of these reviews, the Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, affirmatively determined that under applicable Nasdaq rules and the Independence Standards, each of Mses. Dolan and Mathews-Spradlin and Messrs. Gilbert, Kass, Levato, May, Rothschild and Winkleblack qualified as an independent director.

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In making its independence determinations with respect to Ms. Dolan and Mathews-Spradlin and Messrs. Gilbert, Kass, Levato and Rothschild, the Board noted that these directors did not have any transactions or relationships with the Company during the past three years. In making its independence determinations with respect to Messrs. May and Winkleblack, the Board of Directors considered the following transactions and relationships, each of which was deemed by the Board not to interfere with the respective director's exercise of independent judgment in carrying out the responsibilities of a director:

Mr. May is the President and a Founding Partner of Trian Partners, which, as noted above, is a significant and long-term stockholder of the Company and party to that certain agreement with the Company described under the caption Certain Relationships and Related Person Transactions. Mr. May also served as President and Chief Operating Officer of the predecessor of the Company from April 1993 through June 2007. The Board of Directors also considered the relationship of Trian Partners and its partners with the Company and the presence of Trian Partners representatives (including Nelson Peltz) on the board of directors of Sysco Corporation, which is one of the Company's suppliers.

Mr. Winkleblack serves as a non-management director of Performance Food Group Company, a leading marketer and distributor of food and food-related products across the United States. In 2016 and 2017, the Company and its franchisees purchased food, beverages and supplies from Performance Food Group Company.

**BOARD COMMITTEES AND RELATED MATTERS**

The Board has a standing Audit Committee, Compensation Committee, Performance Compensation Subcommittee and Nominating and Corporate Governance Committee. The Charter of the Audit Committee, Joint Charter of the Compensation Committee and of the Performance Compensation Subcommittee and Charter of the Nominating and Corporate Governance Committee are available on our Governance website at [www.irwendys.com/esg/governance](http://www.irwendys.com/esg/governance) and are available in print, free of charge, to any stockholder who requests them. The Board also has a standing Capital and Investment Committee, Corporate Social Responsibility Committee, Executive Committee and Technology Committee. The current members of each Board committee are identified in the following table.

NAME	NOMINATING AND CORPORATE		CAPITAL AND CORPORATE		CORPORATE SOCIAL RESPONSIBILITY		EXECUTIVE		TECHNOLOGY	
	AUDIT	COMPENSATION	GOVERNANCE	INVESTMENT	RESPONSIBILITY	EXECUTIVE	TECHNOLOGY			
Nelson Peltz					Chair	Chair				
Peter W. May*				Chair						Chair
Kristin A. Dolan*										
Kenneth W. Gilbert*										

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Dennis M. Kass*	(1)		
Joseph A. Levato*			
Michelle J. Mathews-Spradlin*	(1)		
Matthew H. Peltz			
Todd A. Penegor			
Peter H. Rothschild*	Chair (1)	Chair	
Arthur B. Winkleblack*	Chair		

\* *Independent Director*

(1) Also serves as a member of the Performance Compensation Subcommittee.

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**ATTENDANCE AT BOARD AND COMMITTEE MEETINGS, ANNUAL MEETING**

The Board of Directors held eight meetings during 2018. Each director attended at least 75% of the aggregate of the total number of meetings of the Board and the total number of meetings held by the Board committees on which he or she served (in each case, held during the period such director served). In accordance with the Corporate Governance Guidelines, directors are expected to attend the Company's annual meetings of stockholders. Each of the Company's directors attended the Company's 2018 annual meeting of stockholders.

**AUDIT COMMITTEE**

**Committee Members:**

Arthur B. Winkleblack\* (*Chair*)

Dennis M. Kass

Joseph A. Levato\*

Peter H. Rothschild

\*Audit Committee Financial Expert

**Number of**

**Meetings in 2018: 6**

***Committee Functions:***

As more fully described in its charter, the Audit Committee oversees the accounting and financial reporting processes of the Company and the audits of the Company's financial statements. The Audit Committee also assists the Board in fulfilling the Board's oversight responsibility relating to:

The integrity of the Company's financial statements and financial reporting process, the Company's systems of internal accounting and financial controls and other financial information provided by the Company.

The performance of the Company's internal audit function.

The annual independent audit of the Company's financial statements, the engagement of the Company's independent registered public accounting firm and the evaluation of such firm's qualifications, independence and performance.

The Company's compliance with legal and regulatory requirements, including the Company's disclosure controls and procedures.

Discussing risk assessment and risk management policies, particularly those involving major financial risk exposures.

***Independence and Financial Literacy.*** The Board has determined that each member of the Audit Committee satisfies the independence and financial literacy requirements of Nasdaq and the independence requirements of Rule 10A-3

under the Securities Exchange Act of 1934, as amended (the Exchange Act ). The Board has also determined that two members of the Audit Committee, Messrs. Levato and Winkleblack, each qualifies as an audit committee financial expert under applicable SEC rules and regulations and as a financially sophisticated audit committee member under applicable Nasdaq rules.

***Audit Committee Report.*** The report of the Audit Committee with respect to 2018 is provided in this Proxy Statement under the caption Audit Committee Report.

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**COMPENSATION COMMITTEE AND PERFORMANCE COMPENSATION SUBCOMMITTEE**

**Committee Members:**

Peter H. Rothschild\* (*Chair*)

Dennis M. Kass\*

Joseph A. Levato

Michelle J. Mathews-Spradlin\*

Peter W. May

\*Subcommittee Member

**Number of**

**Meetings in 2018:**

4 joint meetings

***Committee Functions:***

As more fully described in its charter, the primary purpose of the Compensation Committee is to assist the Board of Directors in discharging the Board's responsibilities relating to compensation of the Company's directors and executive officers. In carrying out its duties, the Compensation Committee:

Reviews and approves the goals and objectives relevant to compensation of our Chief Executive Officer, evaluates the Chief Executive Officer's performance in light of those goals and objectives and determines (or recommends to the Board for determination) the compensation of the Chief Executive Officer based on such evaluation.

Reviews and approves the compensation of our other executive officers, oversees an evaluation of the effectiveness of the compensation program for such officers and determines the compensation of such officers upon considering all relevant matters.

Reviews and approves the overall compensation philosophy, policies and procedures for the Company's executive officers.

Reviews and advises the Board with respect to executive officer incentive programs, compensation plans and equity-based plans, and administers such plans as the Board designates, which includes the determination of awards to be granted to executive officers and other employees under such plans and the evaluation of achievement of established plan goals and objectives.

Reviews and approves competitive market data and the Company's peer group companies to evaluate the overall competitiveness of our executive and director compensation levels;



Reviews the competitiveness and appropriateness of our non-employee director compensation program and approves (or makes recommendations to the Board) with respect to non-employee director compensation.

Reviews and discusses the Compensation Discussion and Analysis prepared by management and determines whether to recommend to the Board that the Compensation Discussion and Analysis be included in the Company's proxy statement.

Reviews and evaluates with management whether the Company's compensation policies and practices for executive officers and other employees create risks that are reasonably likely to have a material adverse effect on the Company.

Provides recommendations to the Board regarding compensation-related proposals considered at stockholder meetings (including say-on-pay and say-on-frequency advisory votes).

Performs certain oversight and settlor functions with respect to the Company's 401(k) plan and other pension, profit sharing, thrift or retirement plans and ERISA welfare benefit plans.

**Performance Compensation Subcommittee.** The Performance Compensation Subcommittee (the Subcommittee) administers the Company's compensation plans that are intended to meet the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), including the Company's 2010 Omnibus Award Plan, as amended (the 2010 Omnibus Award Plan), and any other salary, compensation and incentive plans that the Subcommittee is designated by the Board to administer.

**Independence.** The Board has determined that each member of the Compensation Committee and the Subcommittee satisfies the independence requirements of Nasdaq. In addition, each member of the Subcommittee is a non-employee director for purposes of Section 16 of the Exchange Act.

**Compensation Committee Report.** The report of the Compensation Committee with respect to 2018 is provided in this Proxy Statement under the caption Compensation Committee Report.

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Additional information about the actions taken by the Compensation Committee and Subcommittee in 2018 with respect to the executive compensation of our NEOs is discussed in the Compensation Discussion and Analysis and under the caption Compensation Committee Report. The actions taken by the Compensation Committee in 2018 regarding the compensation of our non-employee directors are discussed under the caption Compensation of Directors.

**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**

<p><b>Committee Members:</b>                  Peter H. Rothschild (<i>Chair</i>)                   Joseph A. Levato                   Arthur B. Winkleblack</p> <p><b>Number of Meetings in 2018:</b> 3</p>	<p><b><i>Committee Functions:</i></b></p> <p>As more fully described in its charter, the Nominating and Corporate Governance Committee assists the Board by:</p> <ul style="list-style-type: none"> <li style="margin-bottom: 15px;">Identifying individuals qualified to become members of the Board, consistent with any guidelines and criteria approved by the Board.</li> <li style="margin-bottom: 15px;">Considering and recommending director nominees for the Board to select in connection with each annual meeting of stockholders.</li> <li style="margin-bottom: 15px;">Considering and recommending nominees for election to fill any vacancies on the Board and to address related matters.</li> <li style="margin-bottom: 15px;">Recommending to the Board the committee assignments of directors.</li> <li style="margin-bottom: 15px;">Developing and recommending to the Board corporate governance principles applicable to the Company.</li> <li style="margin-bottom: 15px;">Overseeing an annual evaluation of the Board’s performance.</li> </ul>
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***Independence.*** The Board of Directors has determined that each member of the Nominating and Corporate Governance Committee satisfies the independence requirements of Nasdaq.

**OTHER BOARD COMMITTEES**

**Capital and Investment Committee.** The Capital and Investment Committee is responsible for approving the investment of the Company's excess funds (*i.e.*, funds not currently required for operations or acquisitions) and exercising approval authority for certain transactions (such as capital expenditures, acquisitions, dispositions and borrowings) within amounts specified by the Board.

**Corporate Social Responsibility Committee.** The Corporate Social Responsibility Committee oversees and reviews the Company's various social responsibility initiatives. The Corporate Social Responsibility Committee is also responsible for reviewing and approving certain charitable contributions that may be made by or on behalf of the Company and recommending to the Board any changes to the maximum amount of such charitable contributions that may be made in any fiscal year.

**Executive Committee.** During intervals between meetings of the Board, the Executive Committee may exercise all of the powers and authority of the Board in the management of the business and affairs of the Company, including, without limitation, all such powers and authority as may be permitted under Section 141(c)(2) of the Delaware General Corporation Law.

**Technology Committee.** The Technology Committee is responsible for assisting the Board in discharging the Board's oversight responsibilities relating to information technology and cybersecurity matters involving the Company's digital customer engagement initiatives, including restaurant point-of-sale systems, digital ordering tools (such as kiosks, online ordering capabilities and mobile ordering applications) and digital and mobile customer loyalty programs.

#### **EXECUTIVE SESSIONS OF THE BOARD**

The Board of Directors holds regularly scheduled executive sessions in which non-management directors meet without any members of management present. The Chairman or, in his absence, the Vice Chairman, presides over these executive sessions. The Board also meets at least twice a year in executive session with only independent directors present. Annually, the Chair of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee rotate presiding over these executive sessions, with Mr. Winkleblack presiding in 2018.

#### **BOARD'S ROLE IN RISK OVERSIGHT**

The Board of Directors provides oversight with respect to the Company's risk assessment and risk management activities, which are designed to identify, prioritize, assess, monitor and mitigate material risks to the Company,

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including financial, operational, compliance and strategic risks. While the Board has primary responsibility for risk oversight, the Board's standing committees support the Board by regularly addressing various risks within their respective areas of responsibility. The Audit Committee focuses on financial risks, including reviewing with management, the Company's internal audit function and the Company's independent registered public accounting firm the Company's major risk exposures (with particular emphasis on financial risk exposures), the adequacy and effectiveness of the Company's accounting and financial controls and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies. The Compensation Committee considers risks presented by the Company's compensation policies and practices for its executive officers and other employees, as discussed below under the caption "Compensation Governance Compensation Risk Assessment." The Nominating and Corporate Governance Committee reviews risks related to the Company's corporate governance structure and processes, including director qualifications and independence, stockholder proposals related to governance, succession planning relating to the Chief Executive Officer and the effectiveness of our Corporate Governance Guidelines. The Technology Committee aids in evaluating the Company's technology risk management, assessment and exposures, including information technology, cybersecurity, data security and fraud risks. Each of these committees reports directly to the Board.

The Audit Committee also oversees enterprise risk management (ERM) for the Company. ERM is supported by an internal Enterprise Risk Management Committee composed of a cross-functional group of senior management, business leaders and other personnel from applicable risk management functions of the Company. The Enterprise Risk Management Committee identifies current and potential risks facing the Company and ensures that actions are taken as and when appropriate to manage and mitigate those risks. The Audit Committee receives a comprehensive ERM report on a semiannual basis and discusses the results with the full Board, which is ultimately responsible for oversight of the Company's ERM process, on an annual basis.

The Board believes that its current leadership structure supports the risk oversight function of the Board. Having the roles of Chief Executive Officer and Chairman filled by separate individuals allows the Chief Executive Officer to lead senior management in its supervision of the Company's day-to-day business operations, including the identification, assessment and mitigation of material risks, and allows the Chairman to lead the Board in its oversight of the Company's risk assessment and risk management activities.

**BOARD'S ROLE IN SUCCESSION PLANNING**

As reflected in our Corporate Governance Guidelines, one of the key responsibilities of the Board of Directors is planning for Chief Executive Officer succession. Succession planning addresses both contingency planning for emergencies (such as death or disability) and succession in the ordinary course of business (such as retirement). The Board's goal is to ensure senior leadership continuity by overseeing the development of executive talent and planning for the efficient succession of the Chief Executive Officer. The Board has delegated oversight responsibility for succession planning to the Nominating and Corporate Governance Committee, which periodically reviews succession plans and makes recommendations to the Board in the event of an emergency or the retirement of the Chief Executive Officer.

In addition to Chief Executive Officer succession planning, the Board of Directors conducts a periodic review of senior leadership succession plans. During this review, the Board discusses with the Chief Executive Officer and Chief People Officer organizational needs, competitive challenges, candidates for senior leadership positions, succession timing for those positions and development plans for high-potential candidates.

**BOARD AND COMMITTEE EVALUATIONS**

Pursuant to our Corporate Governance Guidelines, the Board of Directors and its committees conduct annual self-evaluations under the direction of the Nominating and Corporate Governance Committee. The evaluations provide the Board and its committees with an opportunity to evaluate their performance for the purpose of improving Board and committee processes and effectiveness.

As part of the Board's self-evaluation, directors consider and provide feedback on various issues, including interactions with and information flow from management, the nature and scope of agenda items, the adequacy and efficiency of meetings, Board structure and composition, committee composition and responsibilities, processes to ensure open communication and timely action, the effectiveness of executive sessions and consideration of stockholder value and interests.

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Committee self-evaluations are led by the respective committee chairs and include, among other topics, a review of the roles and responsibilities set forth in the committee charters, interactions with and information flow from management, the nature and scope of agenda items, the adequacy and efficiency of meetings, committee structure and composition, committee resources and the role of outside consultants and advisors. The results of the committee self-evaluations are discussed with the full Board.

**CODE OF BUSINESS CONDUCT AND ETHICS AND RELATED GOVERNANCE POLICIES**

The Board of Directors has adopted several governance policies to support its risk oversight function, including our Code of Business Conduct and Ethics (the Code of Ethics ), Securities Trading Policy and Public Disclosure Policy.

**Code of Ethics.** The Code of Ethics is designed to ensure that the Company's business is conducted with integrity and applies to all of the Company's directors, officers and employees, including the principal executive officer, principal financial officer and principal accounting officer. Our Code of Ethics sets forth the Company's standards and expectations regarding business relationships, franchisee relations, compliance with applicable legal and regulatory requirements, business conduct, conflicts of interest, use of Company assets, confidential information and information retention and reporting. The Code of Ethics is available on our Governance website at [www.irwendys.com/esg/governance](http://www.irwendys.com/esg/governance). Any amendments to or waivers from the Code of Ethics that are required to be disclosed by applicable SEC rules will also be posted on the Company's website.

**Securities Trading Policy.** The Securities Trading Policy is intended to assist the Company and its directors, officers and employees in complying with federal and state securities laws and avoiding even the appearance of questionable or improper conduct in connection with securities transactions. Under our Securities Trading Policy, covered persons:

May not trade in Company securities if they are aware of material nonpublic information;

May not trade in the securities of another company if they are aware of material nonpublic information about that company which was obtained during the course of their employment with the Company;

May not speculate in Company securities through engaging in puts, calls or short positions;

May not engage in any other hedging transactions without pre-clearance from the Company's legal department;

May not share material nonpublic information with others or recommend to anyone the purchase or sale of any securities when they are aware of material, undisclosed information; and

Must comply with certain pre-clearance and blackout procedures described in the policy.

**Public Disclosure Policy.** The Public Disclosure Policy is intended to support the Company's commitment to providing timely, transparent, consistent and credible information to the investing public, consistent with applicable legal and regulatory requirements, including the SEC's Regulation FD (Fair Disclosure). Regulation FD prohibits the Company or persons acting on its behalf from disclosing material nonpublic information to securities market

professionals or stockholders before disclosing the information to the general public. The Public Disclosure Policy covers all directors, officers and employees of the Company and sets forth certain procedures and requirements that are applicable to:

Disclosures in documents filed with the SEC;

Statements made in annual, quarterly and current reports, press releases, communications with analysts, investors and the media, speeches and presentations; and

Information contained on the Company's website.

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**COMPENSATION GOVERNANCE**

**COMPENSATION RISK ASSESSMENT**

As part of the Board's risk oversight function, the Compensation Committee conducts an annual review of compensation-related risk. In February 2019, the Compensation Committee and its independent advisors met with management to review management's conclusion that the Company's compensation policies and practices for its employees do not create risks that are reasonably likely to have a material adverse effect on the Company. Management reviewed with the Compensation Committee the various factors underlying management's conclusion, including the performance objectives and target levels used in connection with the Company's incentive awards, as well as the features of the Company's compensation plans that are designed to mitigate compensation-related risk, including the following:

Plan and award metrics are tied directly to overall profitability;

Various methods for delivering compensation are utilized, including cash-based and equity-based incentives with different time horizons that provide a balanced mix of both short-term and long-term incentives;

Performance-based awards have fixed maximum payouts;

The Company has the right to reduce or eliminate payouts under incentive awards through the use of negative discretion, including if a participant's behavior is in conflict with the Company's Code of Ethics or any other Company policy or procedure;

Annual incentive payouts are not made until the Company's financial statements are audited by the Company's independent registered public accounting firm and plan results are certified by the Chief Financial Officer; and

All incentive awards granted under the 2010 Omnibus Award Plan contain clawback provisions in favor of the Company in the event the Company is required to materially restate its financial statements or a court determines that a participant has engaged in a detrimental activity (as defined in the 2010 Omnibus Award Plan).

With respect to the Company's compensation program for executive officers, the Compensation Committee concluded that this program is appropriately designed to support the Company's business objectives by linking executive compensation to individual performance, the Company's attainment of annual and multiyear operating and financial goals and the creation of long-term stockholder value. The executive compensation program includes the following features that are designed to prevent risk-taking that could have a material adverse effect on the Company:

Base salaries represent a sufficient component of executives' total cash compensation so that excessive risk-taking that might be associated with performance-based compensation is mitigated;



Performance goals and metrics under the Company's annual incentive plan are based upon realistic operating levels that can be attained without taking inappropriate risks or deviating from normal operations or approved strategies;

Long-term equity incentive awards are based upon the Company's performance over a multiyear period, which mitigates against the taking of short-term risk;

Incentive compensation plan design allows for adjustment of performance metrics for nonrecurring and other special items so that executives are rewarded based on the Company's actual operating results;

Equity-based awards represent a significant portion of executives' total compensation, which links executive compensation to the long-term value of our Common Stock; and

The Board of Directors adopted our Stock Ownership and Retention Guidelines for Executive Officers and Directors that require significant stock ownership by executives, which further aligns the interests of executives with the interests of stockholders.

**AUTHORITY TO DELEGATE**

The Compensation Committee and the Subcommittee each may delegate authority to subcommittees composed of one or more of its members, and also may delegate authority to its Chair when it deems appropriate, subject to the terms of its charter. The Compensation Committee and the Subcommittee also may delegate to one or more Company directors or officers the authority to make grants of equity-based compensation to eligible employees who are not executive officers, subject to the terms of the Company's compensation plans and applicable legal and regulatory requirements. Any director or officer to whom the Compensation Committee or the Subcommittee grants such authority must regularly report any grants so made, and the Committee or the Subcommittee may revoke any delegation of authority at any time.

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**ROLE OF COMPENSATION CONSULTANTS IN THE EXECUTIVE COMPENSATION PROCESS**

In carrying out its responsibilities, the Compensation Committee periodically reviews and evaluates the components and competitiveness of the Company's executive compensation program, using information drawn from a variety of sources, including information provided by outside compensation consultants, legal counsel and other advisors, as well as the Committee's own experience in recruiting, retaining and compensating executives. The Compensation Committee has the sole authority to retain and oversee the work of outside compensation consultants, legal counsel and other advisors in connection with discharging its responsibilities, including the sole authority to determine such consultants' or advisors' fees and other retention terms. The Company provides such funding as the Compensation Committee determines to be necessary or appropriate for payment of compensation to consultants and advisors retained by the Committee.

Since December 2009, the Compensation Committee has engaged Frederic W. Cook & Co., Inc. (FW Cook) to serve as the independent outside compensation consultant of the Compensation Committee and Subcommittee. Representatives from FW Cook regularly attend Compensation Committee meetings and provide advice to the Committee on a variety of compensation-related matters. The Compensation Committee seeks input from FW Cook on competitive market practices, including evolving trends and best practices. During 2018, FW Cook assisted the Compensation Committee with respect to the design of the Company's executive compensation program and determination of targeted compensation levels thereunder, including base salary levels, the 2018 annual cash incentive and long-term equity incentive awards, and the overall mix of total direct compensation for the Chief Executive Officer and other senior executives. FW Cook also advised the Compensation Committee in connection with its review and approval of compensation packages offered to executives, the construction of the Company's peer group to serve as a secondary benchmark for Chief Executive Officer and Chief Financial Officer compensation and the design of and modifications to the executive compensation program for 2019. At the request of the Compensation Committee, FW Cook periodically reviews the compensation components and levels of the Company's executive officers and advises the Committee on the appropriateness of the Company's executive compensation program in the context of its overall compensation philosophy. Under the terms of its engagement, FW Cook does not provide any other services to the Company and works with management only on matters for which the Compensation Committee has oversight responsibility. The Compensation Committee has assessed the independence of FW Cook pursuant to applicable SEC and Nasdaq rules (including consideration of the six independence factors specified in Nasdaq Listing Rule 5605(d)(3)(D)) and concluded that no conflict of interest exists that would prevent FW Cook from serving as an independent compensation consultant to the Committee.

Management provides information and makes recommendations to the Compensation Committee from time to time regarding the design of the Company's executive compensation program. In formulating its recommendations, management reviews information from a variety of sources, including information provided by outside compensation consultants. During 2018, management engaged Willis Towers Watson to serve as management's outside compensation consultant. Willis Towers Watson provided market data and other information to management in connection with the design of the Company's executive compensation program, including a review of base salary, total cash compensation and total direct compensation levels for the Chief Executive Officer and other senior executives. Willis Towers Watson also advised management on potential voting recommendations by proxy advisory firms with respect to the Company's executive compensation program. Certain of the market data and other information provided by Willis Towers Watson was also made available to the Compensation Committee and FW Cook.

**MANAGEMENT'S ROLE IN THE EXECUTIVE COMPENSATION PROCESS**

The Company's executive officers provide support and assistance to the Compensation Committee and the Subcommittee on a variety of compensation-related matters. Each year, the Chief Executive Officer and other senior

executives provide input to the Subcommittee regarding the design of the Company's annual incentive plan and annual long-term incentive plan, including proposed performance goals and objectives and a list of participants eligible to receive awards. The Subcommittee then determines the structure and components of the annual cash incentive and long-term equity incentive awards after considering management's recommendations, as well as input from FW Cook. With respect to performance-based awards, following the completion of each performance period, the Chief Financial Officer provides the Subcommittee with a certification of the Company's actual performance relative to the stated performance goals and the resulting payouts to participants based on such performance. Under the terms of the annual incentive plan, payouts to executives other than the Chief Executive Officer can be adjusted by the Subcommittee by up to +/-20% at the recommendation of the Chief Executive Officer, based on his assessment of each executive's individual performance. The Subcommittee then determines the actual incentive payouts to eligible participants after taking into account Company and individual performance and any other relevant facts and circumstances.

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The Chief Executive Officer and other members of management with expertise in compensation, benefits, tax, accounting and legal matters provide information and make recommendations to the Compensation Committee from time to time on compensation-related matters, including proposed employment, retention, relocation, severance and other compensatory arrangements, base salary levels, annual incentive plans, long-term equity incentive awards, annual compensation risk assessments and evolving trends and best practices in executive compensation. Management also presents information to the Compensation Committee regarding the Company's business and financial performance, strategic initiatives, legal and regulatory developments and other relevant matters. In accordance with applicable Nasdaq rules, the Chief Executive Officer may not be present during any voting or deliberations by the Compensation Committee or Subcommittee with respect to his compensation.

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

Five non-management directors served on the Compensation Committee during 2018: Ms. Mathews-Spradlin and Messrs. Kass, Levato, May and Rothschild.