

TRIDENT

Doing Well
While Doing
Good

2023 ANNUAL REPORT



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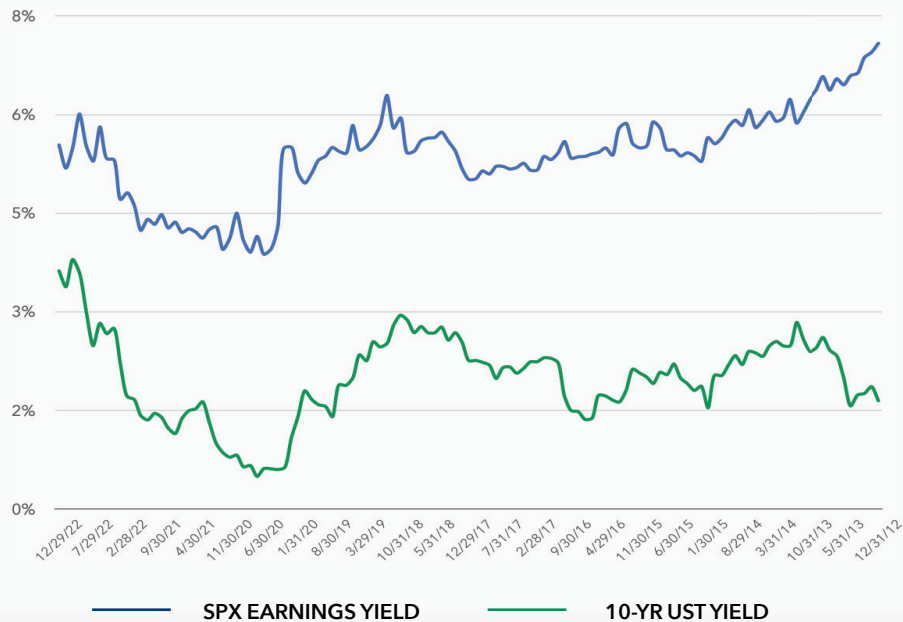
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Message from the CEO

"Everybody has a plan until they get punched in the mouth."

– 'IRON' MIKE TYSON

As crude as this quote is, it's true. 2022 was a reckoning for many investors across asset classes. The combination of a hawkish recessionary outlook from major financial institutions, rate hikes from the Federal Reserve, and a material sell-off in the public markets, particularly in the growth and technology sectors led investors to dampen their risk appetite significantly. I won't bore you with too many charts and graphs, but I have been intrigued by the dramatic change in the market risk premium as implied by the earnings yield of the S&P 500 charted against the 10Y Treasury.



As you can see since January 2020 the market risk premium as defined by the spread of the S&P Earnings Yield over the spread of the 10Y Treasury has decreased from ~4% to ~2% at YE2022. In early 2020 the S&P earnings yield was ~5.4%. Today it's 5.9%. But over the same period the 10YR treasury yield has slid from 1.5% to 3.9%. For the record, the same market risk premium ended the year at 5.8% in 2012. Said another way, over the last 10 years you are consistently getting paid less than ever to take more risk.

I surmise that investors, in particular larger allocators, have been left to make difficult choices as a result of the above -- none of which they find all that appetizing. Investors either 1) believe that equities are overpriced and therefore move from riskier assets into bonds or cash (and potentially miss out on yield), 2) grow exposure in equities, either recognizing that you are getting paid less on a relative basis to take risk or believing in above-market economic growth despite what the Federal Reserve would have you believe, or 3) do nothing. Paying attention to the stock market in 2022 it was clear how this dynamic affected the appetite of public market investors. Unless you were in a seat like ours, it was likely less clear how it affected private capital flows.

"We do this not because it is easy, but because we thought it would be easy!"

– (NOT) JOHN F. KENNEDY

In 2022 the private equity market and in particular emerging managers like us had to contend with LPs who for the first time in many years had a 'denominator' issue--i.e. because of losses most acutely in their public markets portfolios they found themselves dramatically overallocated to private equity. Translation: fundraising in 2022 was slower than Trident expected it would be. In spite of these headwinds we managed to deploy just under \$40M and have a busy pipeline that we expect to deploy into throughout 2023. As we speak Trident is sourcing over \$1B of dealflow per quarter, majority of which is completely proprietary. We are very long on great ideas and look forward to continuing to buy great assets at reasonable prices this year.

Notwithstanding the above, I'm happy to report that our performance was better than what we even underwrote, which creates an interesting juxtaposition: in what was our best year performance-wise, we had to work harder than ever before to fund companies that were organically outpacing the market. We believe that in a high rate, slower growth environment it will become all the more clearer how important our value-oriented strategy is. Enough rhetoric though, let's talk a couple examples and numbers from the portfolio¹:

LUMINA VISION PARTNERS quadrupled EBITDA in the first 12 months driven by both organic growth and a robust M&A strategy. The Company closed on 5 transactions this year, representing 10 new locations and incremental EBITDA. Simultaneously, Lumina has built robust corporate processes and infrastructure that we believe will enable it to grow to over 75 practices within the next 24 months. Special thanks goes out to our great management team as well as Chris and Tony at RTC (ISOP) for their hard work. We are happy to report that Lumina's future pipeline for growth continues to look robust.

EXCEL INTERIOR DOOR: Since investment close in January 2022, Excel, a manufacturer of interior doors in the Southeast, has organically grown EBITDA nearly 25%. Over the last year, Trident, along with a great management team in partnership with Chris Ayala from Drum (ISOP), has made major strides in professionalizing the Company's HR function, putting a new HR Manager in place and shifting the business' payroll and onboarding processes from paper to Paylocity, and engaging TCGI, a black- and woman-owned technology consultancy, to optimize the Company's internal technology stack. We believe Excel is well positioned to continue to weather macroeconomic headwinds in the housing market as it capitalizes on local under-build, optimizes its sales efforts, and realizes additional operating leverage with increasing scale.

On the Trident homefront, we experienced our first turnover in 5 years - one departure from the Investment team and two from the Strategy & Operations team. While momentarily jarring for our little community that has been riding together from the start, what has emerged is a leaner, more efficient team of

¹ Please refer to disclosures on page 24.

professionals committed to delivering for our investors and communities we operate in. We wish them the best moving forward and are excited that the Trident Alumni Network is off to a strong start!

From a growth perspective, Trident is excited to welcome Kevin Obara, Director on the Investment team, who joined us in September from Handshake after spending time at Carlyle, Citadel, and Harvard Business School. Kevin brings a bevy of both operational and financial expertise that has already been put to good use.

Trident is also happy to announce promotions this year: Ben Rosenbaum to Vice President on the Investment Team and Ragini Chawla to Senior Associate.

WHAT'S REALLY IMPORTANT

At the risk of sounding trite given the start of my 2022 annual letter, I must repeat that I'm not the most consistent watcher of television shows, and when I am, I tilt towards the Sci-Fi or Fantasy genres, picking shows like Game of Thrones to spend my time on.² But this past year I fell in love with America's favorite: Yellowstone. I've been a Kevin Costner fan since Oscar-winning Dances with Wolves, but he's outdone himself playing a Montana rancher who promises his father he will maintain the family legacy and not forfeit any of the ranch he'd inherited. In Season 1 he had an interesting quote that many watchers applied to his children, but I believe he was doubly talking about his family's land and legacy.

"Tomorrow is the only thing a parent's supposed to live for."

- JOHN DUTTON

² Incidentally, one of the three reasons the company is called Trident stems from Game of Thrones, because Robert Baratheon slew Rhaegar Targaryen at the Battle of The Trident, which of course determined the outcome of Roberts Rebellion and sparked the GoT story as we know it today.

At Trident we've thought very carefully about how to lure in great talent and incentivize them to perform at a high level, through cycle. But great businesses aren't just built on proper incentives, they are built on vision. We work our asses off at this firm because we all believe in the Trident of tomorrow that we are building.

We've had a strong sense of destiny here at this firm since our inception. There's been a 'knowing' that comes with working here that is difficult to explain but clearly visible when examining the tenure, focus, unceasing pursuit of excellence, and consistency of our team. Our people are special—so I wanted to take a moment in this letter to express my heartfelt public gratitude to each and every one of these OGs.³

ALEXIS: *You've helped me handcraft almost every deal in our portfolio. Thank you for seeing what I so often don't and being the partner and friend I didn't even know I needed.*

RAGINI: *You invented Corporate Zone Defense. Nothing gets past you in spite of the fact that you've pushed yourself to learn new skillsets and apply them for Trident's benefit.*

KEVIN: *Tenacity and hustle personified. Thank you for making the rapid adjustments to assimilate into how we do business as a more recent addition.*

ARON: *You are always doing the right thing at the right time, and most of it might go unseen. But from those of us who do see it, thank you.*

NICK: *It doesn't get more OG than you my brother. Thank you for asking the toughest questions at the most inconvenient times. We'd have stepped on plenty of landmines otherwise.*

BEN: *It's been my absolute privilege to watch you develop from an intern into something a hell of a lot more dangerous. The wind is at your back, keep it up!*

ANDREW: *We have been riding together for years. Thank you for your commitment!*

SHANA: *Lord knows I wouldn't survive a day without your attention to detail and acute spidey-senses. Thank you!*

3 Old Guardmembers



All these niceties being said, we've had our fair share of miscommunications, false starts, and chemistry mismatches. Team building is difficult work; I don't want anyone reading this to mistake our compliments and optimism for things being always smooth and steady. If a business ever could face seasonal depression, we've certainly had our fair share given everything the market has thrown at us over the last 5-6 years. The pandemic and ensuing retracing brought out just about every adjective I'd seen in the corporate lexicon: grumpy, chippy, grouchy, and of course, testy. We struggled at times to stay focused on Trident's long game, our portfolio companies struggled too, and yet here we are: 2022 was a banner year for organic portfolio growth, and we are eyeing our next opportunity to return capital to investors in our legacy portfolio as 2023 kicks into full gear.

At the end of the day, no one on the Trident team doubts why we are here. No one doubts what we are building or our ability to do it. And finally, none of us doubt just what we are building. It's this shared commitment to legacy that allows my partners and I to remain bullish about our opportunity to perform. If there's anything my partners and I lose sleep over it's this notion of tomorrow. We maintain a healthy paranoia that drives us to burn it at both ends to live up to our charge.

I'm excited to share more as the year progresses about how we are investing in our culture and people.

CHANGE TO BE PROUD OF

"Leverage is knowing that if someone had all the money in the world, this is what they'd buy."

- JOHN DUTTON

Contemporary philanthropy and 'impact' have been historically driven by purely profit-motivated organizations and individuals who, once they've fed enough, decide to give back. Today it's beginning to take on a new form in sustainable impact. But traditional logic has been to wait until you are one of the "have too much's" to give to the "have nots". Recognizing that we at Trident have something that everyone wants is important. That is, we have an organization that has two powerful layers engrained in its founding DNA: Technology and Social Impact. Doing this from the very start matters.

On Social Impact: At Trident we consistently broadcast our intent to create alpha and return capital for our LPs as a priority while considering other stakeholders in our quest to turn small businesses into medium-sized ones. Doing this while not being pigeon-holed into an "Impact" fund designation has been tricky to say the least—so I'll say it plainly: Trident is not nor will ever be an "Impact" business, but rather a business that happens to make an impact. Why? Because we are the kinds of folks who naturally root for the underdogs in competitive situations, perhaps just because we identify with them more so than the average bear. Beyond this though, we think there is meaningful amounts of alpha that can be found by looking in places where others don't to find value. Excel Interior Door is a perfect example of this working. We were able to increase EBITDA organically by just under 25% in the first year, doing so in partnership with an Atlanta-based black-owned business that may have been otherwise overlooked. As we continue to return capital to our partners who have put their trust in us, I look forward to telling more of these stories in my annual letters.

Our Technology: We have an algorithmic process that allows us to spend more time investing in people and businesses we know are most aligned with our commercial objectives. I know that Nick has talked and published about our proprietary SPEAR algorithm at length, but it's this process that has allowed Trident to take what is today roughly ~\$1B in deal flow per quarter and distill that down into 3-4 executable deals per year. I'm happy to announce that we today have over 850 ISOPs in our system—we spend roughly 15 hours per week mining through that network for proprietary transactions in the most closely-held businesses in the market. Look out for more stories about this powerful tool as Trident's assets under management grow in tandem with the size of our portfolio.

In sum, our decision to create alpha for Limited Partners, build proprietary technology, and push social impact was very deliberate—we believe it's not just a differentiator but rather a model just about everyone in the alternatives industry will embrace if they haven't done so already. My advice to those reading: don't wait until you have all the money in the world. Do it now!

Best,



A handwritten signature in black ink, appearing to read "Eric Taylor III". The signature is fluid and cursive, with a long horizontal stroke at the end.

ERIC TAYLOR III

Trident Chief Executive Officer
and Chief Investment Officer

Executive Summary

Central to the Trident strategy is the ethos that doing good happens while achieving superior returns for our investors. Trident is a control-oriented private equity firm launched in 2017, with value investor discipline and a technology-driven approach to **investing in American small businesses** alongside specialized and local operators. These small business investments tend to do \$10 million to a \$100 million in revenue, \$2 million to \$20 million of EBITDA, and exist in consumer, healthcare, and industrial sectors. As a buyout Private Equity firm, we are positioned to influence and intentionally steward our portfolio companies to do well while doing good, and to **steward equitable access to the American Dream** for the benefit of our investors and communities we engage in.

Considering the unprecedented and impressive growth private markets have had in recent years, we see our capital allocation decisions not only as affecting our investment trajectories, but also having profound impacts on the communities they touch. **Our approach is institutionalized by our Doing Well While Doing Good policy**, accounted for in this annual report, and relevant data is monitored and analyzed on a monthly and quarterly basis.

In this vein, **Trident has built a suite of strategic partners and allies** to work with us in delivering this mission, from joining as signatories to the UN-supported Principles for Responsible Investing, the CFA's DEI Code and ILPA's DEI in Action, to partnering with the National Association of Black Accounts, a Black- and women-led IT and supplier optimization service provider TCGi, and National Bankers Association, among others. Doing Good is put in action through our 13% Initiative that aims to have at least 13% of the value created in our investments accrue in the Black community. 13% correlates to the percentage of Black Americans in the US population. By committing to ascribe at least 13% of the value we create in our post-transaction investment growth in the Black community, we are actively reducing the racial wealth gap. **Since the Initiatives inception in 2021, Trident is on track to over index for the 13% threshold, and we found that good investment performance is mutually reinforcing to good diversity performance** (see page 15).



Diversity is fundamental in our team makeup: **Trident is a majority Black-owned firm** with an Investment Committee led by two Black professionals. Our **Investment Team is women-led**, 63% of our full team are people of color, and 38% are women. Moreover, the Trident Advisory Board is 86% people of color and 29% are women.

To augment our diversity efforts, Trident's rigorous accounting resulted in our investments meeting PWI status, and through the BHCA, making Trident eligible to receive investments from traditional banks. This additional capital amplifies the impact of our investments in companies and employees located in low- to moderate-income communities (LMI). **All of Trident portfolio companies meet the PWI eligibility** threshold of having majority LMI employee base, residing in LMI areas, targeted by the government for redevelopment, and/or qualified CRA investment.

Finally, this year **Trident announced the launch of the Trident American Dreams Fellowship**. This Fellowship is a technical program for minority entrepreneurs to democratize **access to opportunity** for Black American professional as ISOPs (Independent Sponsor and Operating Partners) to be better equipped to lead competitive deals. The inaugural Trident Fellowship Class began May 1, 2023.

This is Trident's second annual Doing Well While Doing Good Report and underscores our commitment to act with intentionality and authenticity in our commercial and social commitment to LPs.

Trident Overview

Trident is a control-oriented Private Equity firm that was launched in 2017 by Eric Taylor, CEO and CIO. Since inception, Trident has used a disciplined and technology-driven approach to invest in American small businesses, with the philosophy that profit aligns with purpose; doing good happens while achieving superior returns for our investors. Trident's principals bring a complementary mix of direct investing, fund management, strategic advisory, operational policy expertise, diverse and deep networks, financial technology expertise, and considerable impact experience in underserved markets to execute its goals. The small businesses Trident targets have EBITDA of \$2 million to \$20 million, revenue of \$10 million to \$100 million, a demonstrated track record of operating profitability, and ripe for both commercial and social post investment value creation.¹ These investments are made alongside Independent Sponsors & Operating Partners (ISOPs) who are experts in specialized industries, local economies, and/or market segments.² A core competitive advantage of Trident is its proprietary technology that allows us to strategically spend time on targeted, nonproprietary deals that are most aligned to our discipline, engendering greater efficiency to our investment process for best-in-class investing in small businesses as value investors. At the same time, the firm's investments and organizational structure are mindful of tapping into diversity as an alpha generator (expanded on in sections IV-VI). As a buyout Private Equity firm, we are positioned to influence and intentionally steward equitable access to the American Dream for the benefit of our investors and communities we are engaged in.

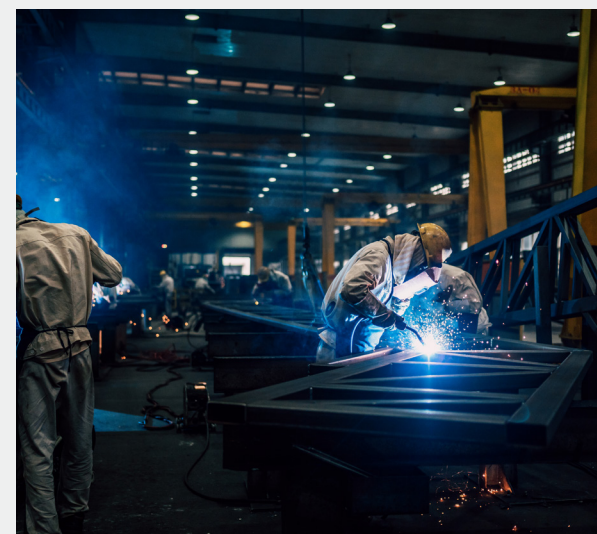
Since inception, Trident has received investments from preeminent investors including, Robert Smith, Bank of America, Moody's, Kellogg Foundation, Mercer, and Cambridge Associates. Trident has assembled an Advisory Board of luminaries representing the community, public and private sectors with insights on diversity, our target sectors, and institutional investing: Former Vice Chair of Citibank Ray McGuire, Moody's Chief Administrative Officer Tameka Alsop, Billion Dollar Roundtable Chairman Shelley Stewart Jr., OneTen CEO Maurice Jones, Essence Ventures CEO and Executive Chairman Richelieu Dennis, Kapor Capital Founding Partner Freada Kapor Klein, and Darden Restaurants Former CEO Clarence Otis.

1 Trident Team: <https://www.trident.co/team/>

2 Independent Sponsor & Operating Partner (ISOP) is a group seeking to acquire a target company and that seeks a capital provider that can provide equity and strategic support to acquire the company. ISOPs often have specialized understanding of a specific deal's business operations, have private equity expertise, and are instrumental in post-investment value creation.



**Doing good
happens while
achieving superior
returns for our
investors.**



Our Industry Focus

Small businesses, the focal point of Trident's investments, are the cornerstone of national and local economic strength, representing 45% of US economic activity. Small businesses are an asset class representing over \$8 trillion of asset value that is relatively underinvested by institutional capital – a mere 0.52% of Private Equity AUM targets these assets. Within this asset class, Trident's focus is narrowed to small businesses generating between \$10 million and \$100 million in revenue and in businesses in the Consumer, Industrials, and Healthcare sectors. Trident has years of experience investing and operating in each of these sectors and has developed an extensive network of Independent Sponsors and Operating Partners (ISOPs) who serve to both source potential investment and help steward their operations post-investment. Trident quantitatively and qualitatively evaluates and maintains relationships with more than 800 ISOPs (and growing) who have niche operational experience and a track record of execution that is clear and able to be diligenced.

Trident reviews investment opportunities and partners with ISOPs to grow and operate businesses with an eye toward post-investment value creation. These ISOPs can be individual operators looking to expand existing businesses, or teams that have been buying, growing, and selling niche small businesses for decades. With this network of ISOPs and Trident's technology platform, Trident is able to create the widest possible funnel of viable opportunities and to efficiently streamline those with strong post-investment commercial and social value. Trident's technological build is critical in augmenting the Investment Team's sharpened expertise, allowing Trident to find the best opportunities in a fragmented market.

There are 35 times more small businesses in Trident's target market than there are public companies in the US, and many of these small businesses are changing hands at a rapid pace: in 2022, acquisitions were up 5% above the previous year, and 19% gain since 2020 – a key advancement considering the challenge of lockdown many small business faced.³ These businesses create approximately 45% of nonfarming GDP, are rebounding from largely resolved Covid difficulties, and led by agile entrepreneurs – they are ripe for growth.⁴ This target market often is comprised of family-run businesses going through generational transitions, and Trident's investment means small business owners can stay involved in a lesser capacity while ensuring the business transitions to a team who will honor the legacy while taking

3 <https://www.bizbuysell.com/insight-report/>

4 <https://advocacy.sba.gov/2019/01/30/small-businesses-generate-44-percent-of-u-s-economic-activity/>





the business operations and market reach to the next level, in fact helping those founders achieve their American Dream. To small businesses with ongoing capacity challenges that slow and/or prevent business growth, Trident provides better solutions, including technological advancements, financial knowhow, and infrastructure for human capital management, essentially bolstering their business operations and growth potential to get a lot further with outside investment. Importantly, Trident supports small businesses so that they can respond with the necessary foresight and agility to navigate these capricious times.

Access to capital, and specifically equity remains the most important factor limiting the ability of many small businesses, and gender or racial minority-owned business in particular, to grow and drive economic development for their communities and the nation at large. By most measures, the Private Equity industry is three times the size it was 10 years ago, now representing \$6 trillion in assets⁵, positioning the industry to have much more power to transform industries and companies, create value commercially and socially, and generate wealth. Capital allocation has real impact on jobs, communities, and our collective economy and future. Trident believes that small businesses represent the next frontier in private equity, and that incorporating diversity has the potential to drive meaningful alpha within the segment.

⁵ <https://www.preqin.com/insights/2022-preqin-global-alternatives-reports>

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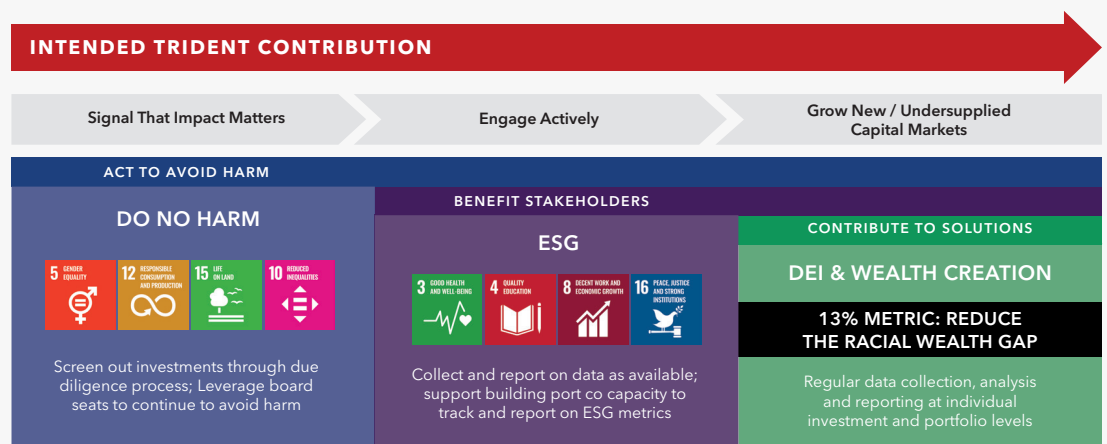


TRIDENT DEAL DILIGENCE INCLUDES ALL COMMERCIAL AND SOCIAL FACTORS

Our Social Commitment

Doing well commercially while doing good for society is core to Trident’s non-concessionary commercial targets for our Limited Partners. Considering the unprecedented and impressive growth private markets have had in recent years, we believe our capital allocation decisions not only affect our investment trajectories, but also have profound impacts on the communities they touch. Our approach is institutionalized by our Doing Well While Doing Good policy, accounted for in this annual report with relevant data is monitored and analyzed on a monthly and quarterly basis.

There are three key parts of our Doing Well While Doing Good policy: 1. Do No Harm, 2. Incorporate ESG factors and related data as core components of the investment process, 3. And promote wealth creation through DEI practices within our portfolio companies. First, Trident acts to avoid harm by preventing or reducing significant effects on important negative outcomes for people and planet. Second, we not only act to avoid harm, but also generate various effects on positive outcomes for the people and planet through integrated ESG diligence and value creation components. Finally, we intentionally contribute to solutions as related to racial inequality by improving diversity metrics at all levels of the Trident platform and our portfolio investments by addressing the racial wealth gap through our 13% Initiative.



Our commitment to ESG, including promoting DEI, includes tracking relevant ESG and DEI factors as a part of our regular investment process. While we believe in the importance of measuring and managing all ESG and DEI metrics, we believe the most efficient path is to focus our time and energy on areas where there is clear alignment with our commercial strategies and where we are uniquely positioned to have significant impact on critical outcomes. Drawing on principles and frameworks from globally accepted impact measurement and management standards (e.g., UN Sustainable Development Goals, UN Principles for Sustainable Investment, and Impact Management Project's Impact Classes), we prioritize specific social issues where we aim to demonstrate measurable impact through our actions, social issues where we generate some positive outcomes on behalf of specific beneficiaries, and social issues where we strive to do no harm. Our social commitment is matched in impact measurement, management and reporting to the level of commitment we have. In Private Equity, we are particularly well-positioned as control-oriented investors allowing greater capability to influence and in a position to execute on these commitments, as well as skill in playing a substantive role in implementing new business processes alongside portfolio companies and management. The Trident Investment Committee will be responsible for maintaining the organization's commitment to this policy.

The bedrock of our Doing Well While Doing Good policy is the sheer fact that Trident invests in an asset class that is the backbone of our economy: small businesses that operate and serve local communities across the nation. These are red-blooded American businesses that are often family-owned for generations and in need of added capacity to boost growth and resilience.

The financial and operational support of Trident and Trident's ISOPs is vital to support value creation for small businesses in terms of efficiency, sophistication, and market share, underscored by both measures of resilience and bottomline growth. This is a cohort of businesses where COVID disruption was felt particularly acutely, especially in sectors that could not transition online to Zoom - building products manufacturers, eye doctors, consumer franchises, and the like.

A. DEI AND WEALTH CREATION

Trident's thesis is underscored by our belief that diversity is a key driver to commercial success and considering DEI elements is a value-add on businesses of all sizes^{6,7,8,9} and a moral imperative. Wealth creation means resiliency and is passed down to support minority community families beyond one lifetime. According to the University of Georgia's Selig Center for Economic Growth, money circulates one time in African American communities, six times in Latino communities, and countless times in White communities. Circulating dollars in Black communities for longer periods of time means long term opportunity environments and sustained reduction of poverty for Black Americans - successful businesses, greater home ownership, higher academic achievements, among other things. Research by Harvard economist Professor Raj Chetty evidences that a child's income given parent income is linear in percentile ranks: on average, a 10 percentile increase in parent income is associated with a 3.4 percentile increase in a child's income. Factors correlated to a high mobility area include less income inequality, better primary schools, greater social capital, and greater family stability; all results of needed increase in wealth building.¹⁰

6 Kauffman Foundation, "Deconstructing the Pipeline Myth and the Case for More Diverse Fund Managers," Feb 2020.

7 Knight Foundation, "Diversifying Investments: A Study of Ownership Diversity and Performance in the Asset Management Industry," Jan 2019.

8 National Association of Investment Companies, "Examining the Returns, 2021," 2022.

9 McKinsey & Co., "Diversity wins: How inclusion matters," 2020.

10 Raj Chetty, Land of Opportunity Research.

Trident’s social commitment strives to change that cycle. And, according to McKinsey & Co. research, closing the racial wealth gap will result in 4-6% higher US GDP, or \$1-1.5T. There is a strategic business imperative for private equity firms investing in ESG and for diversity in particular: it boosts bottom line due to untapped value creation levers, preserves a company’s economic moat, leads to growth opportunities, fosters consumer loyalty, and enhances brand relevancy. That said, in order to achieve a diversity premium at exit, it requires a highly intentional DEI strategy that ideally integrates with and is a dimension of commercial incentives (to ensure sustained momentum of diversity post-exit for the business). Moreso, the time to invest is now as the competitive advantage of the premium is enhanced not only by the value that is created, but being ahead of the curve of investing for social returns with authenticity. As a consequence of the Private Equity industry’s vast size of capital holdings and control, targeted ESG efforts are an incredibly powerful lever to transform industries and underserved communities and to steward portfolio companies with flexibility and rigor at the caliber of financial figures to really deliver on the social return. Section V outlines Trident’s unique methodology to strategies for diversity as a value driver.

B. STRATEGIC PARTNERS & ALLIES

To fulfill our goals of bringing private capital and growth opportunities to small businesses and providing equitable access to the American Dream, we know we cannot do it all alone. It will take coordination between multiple partners, starting with our ISOPs, but also leveraging the access, resources and capabilities of critical strategic partners who support the Trident team, our ISOPs, our portfolio companies and the communities Trident investments operate in.

In this spirit, we have joined as signatories to the UN-supported Principles for Responsible Investing (UN PRI), ILPA’s DEI in Action, and the inaugural signatory group for the CFA’s DEI Code. Additionally, in 2022 we assembled a group of strategic partners and allies that fulfill our goals in one or more of the following:

1. **Industry Partners:** We engage industry leaders to share our experiences and learn from best practices in asset management; value creation; impact measurement; and diversity, equity and inclusion.
2. **Service Providers:** We partner with best-in-class minority and women-owned service providers to support our portfolio companies in achieving our commercial and social objectives.
3. **Accessing Talent:** We work with associations and firms that help us access diverse talent pipelines for Trident and our portfolio companies.

TRIDENT STRATEGIC PARTNERS AND ALLIES



13% Overview & Update

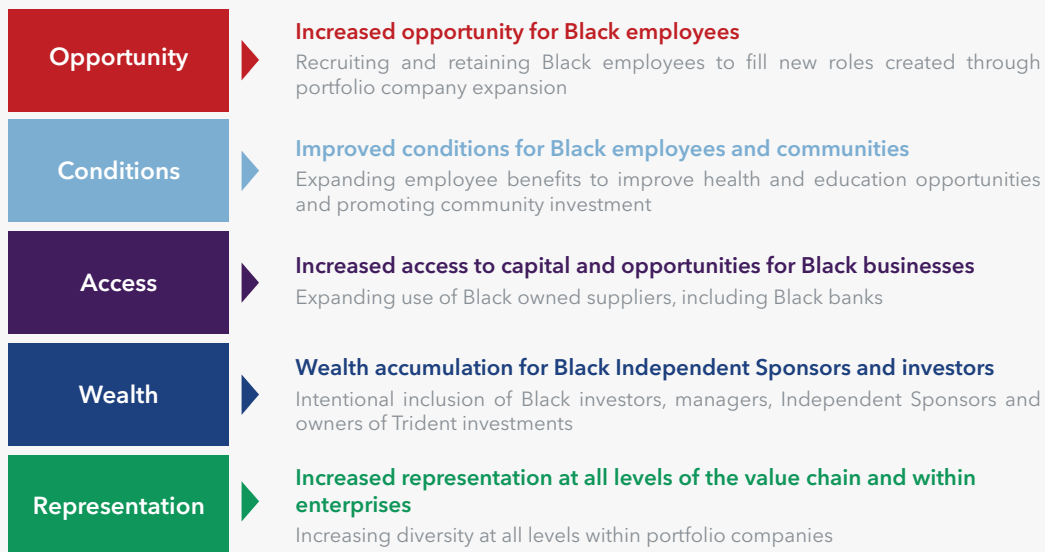
Central to our Doing Well While Doing Good efforts is Trident's 13% Initiative that targets at least 13% of the value created from our investments being attributable to the Black community. 13% is correlated to the population mix of the Black American population attributing at least 13% of post-investment value creation to the Black American community means we are actively working to reduce the racial wealth gap, rather than widening it. Since the Initiatives inception in 2021, Trident is on track to over index for the 13% threshold.

OUR APPROACH

Throughout our investment process, from initial deal sourcing and diligence, to investment committee discussions, to post transaction strategies, we consider the net social return of our investments within underserved populations, and our impact efforts focus particularly in the Black American Community. Focusing on wealth creation to reduce the racial wealth gap allows us to capture some of the trillions of dollars in value left on the table by racial inequality in the United States in a method constructed to support generational wealth building. Our proprietary methodology encompasses 5 impact pathways to meet (and exceed) 13% of value creation attributable to Black communities.



13% PATHWAYS



UN SDGs



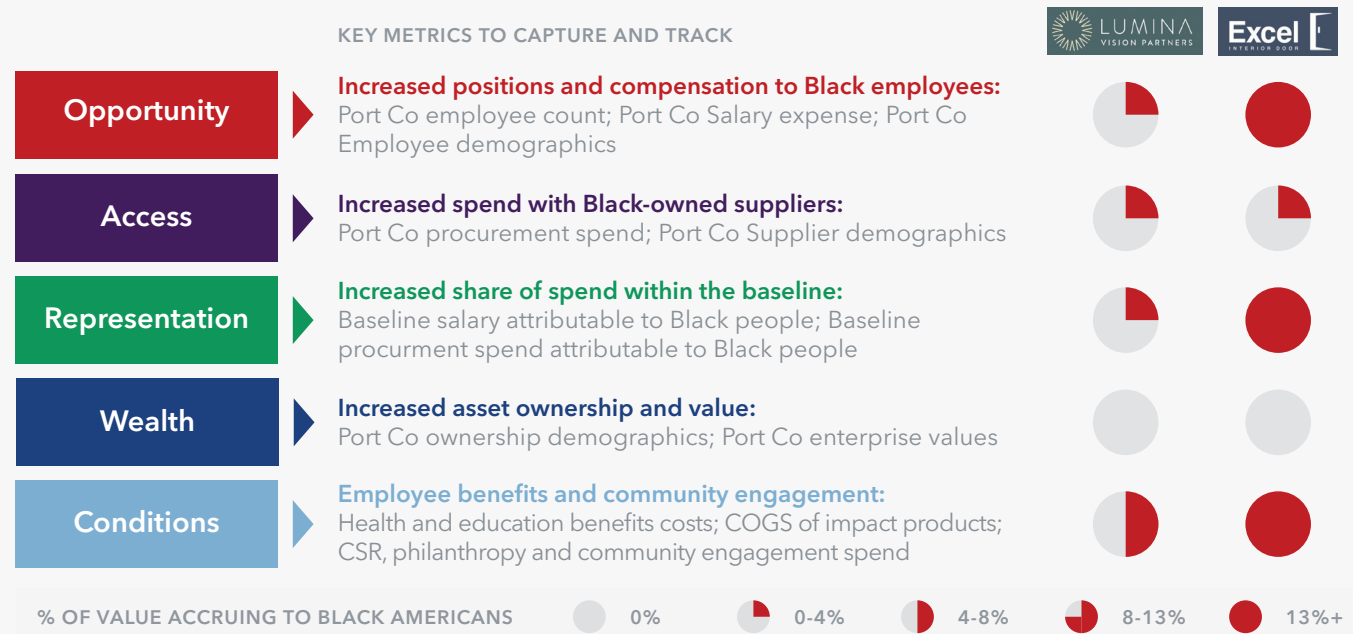
IMPACT FROM SPECIFIC PRODUCTS DESIGNED TO DELIVER OUTCOMES TO BE MEASURED AND MANAGED ON AN AD HOC BASIS.



PHOTO: TRIDENT PORTFOLIO COMPANY LUMINA VISION PARTNERS

TRACKING OUR PROGRESS: *You can't improve what you don't measure.*

Central to changing the industry rhetoric that that you cannot Do Well While Doing Good is to have evidenced successes. And that is what this section focuses on. Below are our results since the inception of our strategy in 2021 that doing good is a driver for doing well. As anticipated, in 2022 we found that good investment performance is mutually reinforcing to good diversity performance.¹¹



Alongside tracking towards meeting and exceeding 13% targets, both portfolio companies continue to grow their operations multifold. Lumina Vision Partners is a leading optometry practice network that had its most successful year to date, ranking in the top 40 US Optical Retailers in 2022,¹² with 11 new locations and marking entry into Texas along the way. Excel Interior Door has increased capacity by making factory machinery improvements, hiring a Continuous Improvement Engineer, integrating cyber security measures, and enhancing human capital-focused strategies that include hiring from and working with career services at HBCUs, instituting improved benefits packages, making key production floor management team hires, among other efforts.

¹¹ Please refer to disclosures on page 24.

¹² <https://www.visionmonday.com/vm-reports/top-50-retailers/article/vms-signature-top-50-optical-retailers-report-shows-sales-growth-across-the-eyecare-sector-and-a-reordering-among-top-10-groups/>

FUND INVESTMENT #1



Lumina Vision Partners is a growing network of patient-centric optometry practices originating in Phoenix, Arizona. Lumina creates a doctor-centric, patient-focused community as a trusted partner for optometric practices, helping to deliver high-quality, innovative eye care through inclusion and diversity. The Lumina network started 2022 at 11 Phoenix, Arizona, locations. There are now 21 locations in Arizona and Texas, representing 16 different practice locations that are part of the network. With more than 200 employees and an expanding footprint, Lumina is the fastest-growing and largest operation of primary eye care practices in Arizona.



PHOTOS: TRIDENT PORTFOLIO COMPANY LUMINA VISION PARTNERS



13% IN ACTION

Helping to Deliver High-Quality, Innovative Eye Care Through Inclusion and Diversity

Lumina established guiding principles to ensure preservation of family practice optometry by supporting and celebrating diversity while providing industry leading resources to doctors, support staff, and patients. Their Mission, Vision, and Values focus on DEI initiatives to employ as they expand their footprint.



PHOTOS: TRIDENT PORTFOLIO COMPANY EXCEL INTERIOR DOOR



FUND INVESTMENT #2



Excel Interior Door is a leading manufacturer of interior wooden doors. The Company sells to a diverse range of wholesale building product customers that supply builders across the spectrum of new construction and remodeling for single and multi-family residences. Excel plans to execute on a comprehensive value creation plan, which includes expanding into adjacent geographies, optimizing labor, and augmenting the Company's Sales and Marketing function.

13% IN ACTION

Partnering with Diverse Institutions to Advance Strategic Initiatives

Excel has partnered with a Black woman-led IT and supplier company to optimize its procurement and systems improvements. And partners with local Historically Black Colleges & Universities (HBCUs) for talent recruiting and class projects. Diverse-led institutions pay a critical part in the company's growth.

"In 2022, Trident partnered with us to invest in Excel Interior Door, a door manufacturer in Southeast US. With our expertise in the building products industry, and Trident's support in connecting strategic partners for marketing, IT, HR, and supply chain improvements, Excel Interior Door has grown LTM EBITDA 21.6% in 2022."

CHRISTOPHER AYALA, ISOP

Starting at Home

Principally, this commitment to diversity extends inward to Trident, and our people are a testament to that. At the firm level, living our values means Trident is a majority Black-owned firm with an Investment Committee led by two Black professionals. Our Investment Team is women-led, 63% of our full team are people of color, and 38% are women. Moreover, the Trident Advisory Board is 86% people of color and 29% are women. At the portfolio level, 83% of portfolio companies have women in leadership positions and 67% of portfolio companies have people of color in leadership positions.

We remain steadfast in our efforts to build diversity at all levels of the organization and to advance the dialogue of investing in diverse managers as well as proving that executing diversity-focused strategies in our investments is an alpha generator.



Public Welfare Investments and Trident's Portfolio

To augment our diversity efforts, Trident's focus on rigorous accounting of social metrics led our investments meeting PWI status, making Trident investments eligible to receive investments from traditional banks. This additional capital amplifies the impact of our investments in companies and employees located in LMI communities.

Leveraging the Public Welfare Investment eligibility in the Bank Holding Company Act is a largely unengaged strategy and, if done with intentionality, can encourage millions in equity investments into the small business community and strengthen local economies across the nation.

With PWI, Banks are allowed to make limited partner investments into Private Equity Funds, but those investments are subject to their respective regulator's rules, namely the Federal Depository Insurance Company, Office of Comptroller of Currency, or the Federal Reserve. For State-chartered Banks, they must also consider state law permissibility in tandem with federal PWI permissibility. PWI allows banks the ability to leverage Private Equity to create well-equitized small businesses in underserved communities. This would effectively create good small business clients for the banks, and a more favorable economic ecosystem in underserved communities that not only benefits investors, companies, communities, but the nation at-large. Meeting the PWI eligibility threshold means that more than 50% of the Fund's beneficiaries are in at least one of the following categories:

1. The small business's employee base comprises lower- to moderate-income (LMI) individuals and families.
2. The small business's location(s) are in LMI areas.
3. The small business operates in areas targeted by government for redevelopment.
4. The small business is a qualified CRA investment.





















PHOTO: TRIDENT PORTFOLIO COMPANY LUMINA VISION PARTNERS



PHOTO: TRIDENT PORTFOLIO COMPANY EXCEL INTERIOR DOOR

This strategy has not been an intuitive solution since Traditional PE does not have a clear, defined interest in investing in LMI communities, and as such Banks are limited by the Volcker Rule. However, combining local banks knowledge of LMI communities with the expertise of private equity funds (i.e., deal sourcing, underwriting, managing, and exiting) offers significant synergies when it comes to reinvesting in the American communities banks services versus banks making direct equity investments on their own. Banks investing in Private Equity funds through Public Welfare Investments is a potentially strong path forward. Recovering from the economic shock of Covid-19 and supporting our nation’s small businesses will fundamentally be a networked solution - all stakeholders must be aligned.

We opportunistically look for products, services, and/or business practices that benefit the local communities and environments where our portfolio companies operate. Trident’s small business investing strategy naturally operates in and with LMI communities, as all Trident portfolio companies qualify as Public Welfare Investments. With high integration of individuals across income levels, notably lower- to moderate-income levels, the nature of the small business asset class makes for a strong case to implement a more targeted effort to qualify for Public Welfare Investments and channel more capital to local community growth.

 A RESTAURANT FRANCHISE BASED IN UTAH		of Mountain West Brand's employees are in low- to moderate-income brackets		of Mountain West Brand's locations are in LMI census tracts	
 A MANUFACTURER OF ROTARY SEALS BASED IN NEW JERSEY		of CinchSeal's employees are in low- to moderate-income brackets			
 A FAST CASUAL, FARM TO TABLE RESTAURANT FRANCHISE BASED IN NEW JERSEY		of Cornbread's employees are in low- to moderate-income brackets		of Cornbread's locations are in LMI census tracts	
 A NETWORK OF OPTOMETRY PRACTICES BASED IN ARIZONA		of Lumina's employees are in low- to moderate-income brackets		of Lumina's locations are in LMI census tracts	
 SOUTHEASTERN DOOR MANUFACTURER BASED IN HARTSELLE, AL		of Excel Interior Door's employees are in low- to moderate-income brackets			



Trident American Dreams Fellowship

As a capstone to Trident's efforts to do good, Trident is launching the Trident American Dreams Fellowship. The Fellowship strives to democratize access to opportunity for Black American finance professionals as ISOPs. The educational modules will be conducted by Viable Edu, and a fiscal agent coordinating third party philanthropic funds. Financial dealmaking remains a field that is largely apprenticeship based with limited entry possibility for minority individuals. Financial dealmaking is also a key path to wealth creation for individuals, and Trident aims to widen this wealth creation route's possibilities to Black ISOPs endeavoring to enter the space. This Trident American Dreams Fellowship creates a runway for minority professionals to acquire an equity stake in a business and build wealth.

To address the 'access to equity capital' problem for minority entrepreneurs and minority-owned businesses, a custom solution is required. First, minority entrepreneurs need greater awareness of the value and opportunity provided by equity capital and how they fit into the broader ecosystem. Second, minority entrepreneurs must be assisted in packaging and presenting their ventures in a way to attract institutional equity capital. Third, there is a need for targeted seed funding to help offset initial diligence and legal costs for potential ventures as well as integration into a broader network of stakeholders in the small business equity investing space.



The Trident American Dreams Fellowship will establish a technical assistance program to advance minority entrepreneurs with three key activities:

1. **UPSKILLING:** Providing minority entrepreneurs with the experience and practical expertise needed for them to be “successfully rated” as an investable Independent Sponsor & Operating Partner in the finance industry.
2. **ENGAGING WITH RELEVANT NETWORKS:** Entrepreneurs will be connected to specialists, such as accountants and legal professionals, to assist in producing high caliber deal packages to pitch to investors. Entrepreneurs will also be engaged with deal experts who will act as confidants throughout the upskilling and pitching process.
3. **PROVIDING A RUNWAY FOR DEAL EXECUTION:** Graduates from the program will be provided with seed funding to cover critical startup costs for developing new deals (e.g., initial due diligence).

AMERICAN DREAMS FELLOWSHIP PROGRAM

CHALLENGE

Systemic Barriers to Minority Participation in Finance

DISCOVER

Minority Entrepreneurs

ADVANCE

Technical Training

LEVERAGE

Network and Capitalize

Competitive Minority Entrepreneurs with Marketable Deals

The Fellowship accepted submissions in March 2023, modules began on May 1, 2023, and end on August 31, 2023, resulting in the inaugural Trident American Dreams Fellowship Alumni Class.



Conclusion

Grounded in intentionality and accountable metrics with clear lines to achieve and grow social and commercial returns, Trident is on track for its 13% Initiative, Public Welfare Investments and overarching commitment to Doing Well While Doing Good.

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This presentation outlines certain characteristics of Trident American Dreams Fund I, LP and its parallel fund (together, the "Fund"). Such information is for illustrative purposes only to assist prospective investors in determining whether they have a preliminary interest in investing in a fund with the general characteristics described herein.

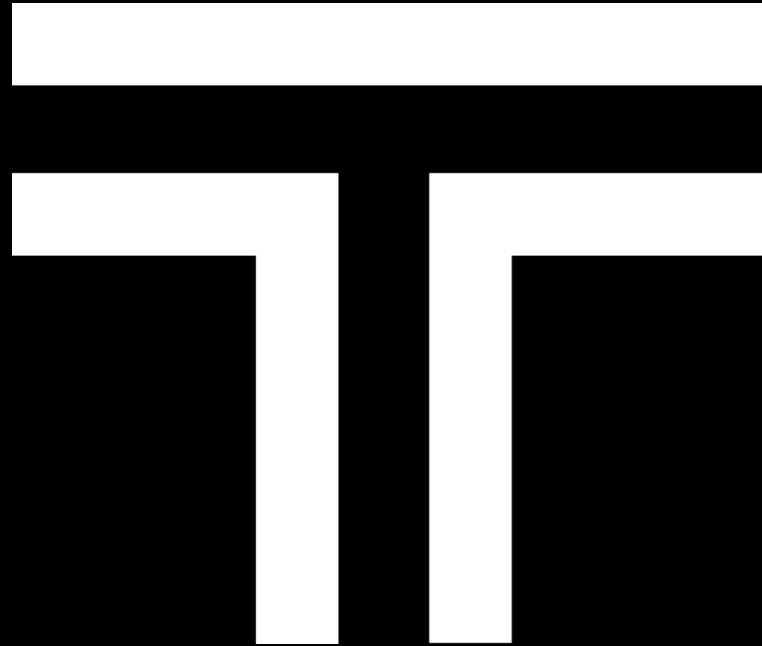
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