Yum! Brands, Inc. - Climate Change 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Yum! Brands, Inc., based in Louisville, Kentucky, has over 54,000 restaurants in more than 155 countries and territories, operating the Company's brands – KFC, Pizza Hut and Taco Bell – global leaders of the chicken, pizza and Mexican-style food categories. The Company's family of brands also includes The Habit Burger Grill, a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches and more. Yum! Brands was named to the 2021 Dow Jones Sustainability Index North America and was ranked on Newsweek's list of 2021 America's Most Responsible Companies. In 2022, Yum! Brands was named to 3BL Media's 100 Best Corporate Citizens.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Canada
France
Germany
India
Italy
Netherlands
Russian Federation
Singapore
South Africa
Spain
Thailand
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	YUM

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	As the top operational decision-maker and member of the Board of Directors, the CEO has ultimate responsibility for climate-related issues. This reflects the importance that the company gives to the topic as part of our citizenship and sustainability strategy called the Recipe for Good. An example of a climate related decision that the CEO was involved in was the setting of our science-based targets strategy in 2021. The Audit Committee of the Board of Directors is also updated at least two times a year on the Company's environmental commitments and progress. In addition, the Board of Directors receives weekly updates on the ESG issues, news, and trends that are occurring within our sector. Within the management structure, the CEO entrusts the Chief Sustainability Officer to drive company strategy relating to climate change. Together they are responsible for: • Leveraging sustainability to promote business growth, drive brand equity and minimize business, social and financial risks of Yum! Brands' global business enterprise including climate change; • Focusing on the scope of the business model for the entire business enterprise globally (Franchisee and Corporate); • Ensuring Yum! Brands operates efficiently and sustainably to drive shareholder value and brand positioning. • Updating of the Audit Committee on an annual basis regarding the Company's environmental commitments and progress on our climate commitments.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	Yum! Brands believes that good corporate governance is a critical factor in achieving business success and embraces practices that align with management and shareholder interests. Oversight for environmental, social and governance (ESG) issues ultimately resides with the Yum! Brands Board of Directors, which is briefed through its Audit Committee at least two times a year. Issues related to climate change are brought to their attention as warranted and elevated by governance and management mechanisms within the company. In addition, the Board of Directors receives weekly updates on Environment, Social and Governance (ESG) issues, news, and trends that are occurring within our sector. Not all climate-related issues are elevated nor do all business actions have material climate-related impact. Historically, the brief has been conducted by our Chief Sustainability Officer and/or General Counsel. Key topics for the reporting year included setting of our updated sustainability strategy, and reporting progress against goals including our energy and climate targets.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Experience in identifying and addressing risks and opportunities associated with sustainability, including climate-related issues. Ability to engage stakeholders on relevant climate change issues.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Chief Sustainability Officer (CSO) is responsible for leading the execution of ESG, including climate-related issues. Oversight of climate-related issues falls within this individual's responsibilities to promote centralized alignment and execution of our strategy, including collaboration with other position(s) and/or committees, as appropriate. This position reports to the Global Chief Communications and Public Affairs Officer, with whom ESG strategy is set, and ultimately to the Chief Executive Officer. The CSO chairs the ESG Council which consists of senior leaders across the company including:

• Chief Operating Officer & Chief People Officer

• Chief Financial Officer

• Chief Communications & Public Affairs Officer

• Chief Sustainability Officer & Vice President of Global Government Affairs

• Chief Strategy Officer

• Chief Food Safety Officer

• Chief Equity & Inclusion Officer

• Chief Legal & Franchise Officer & Corporate Secretary

• Chief Food Innovation Officer

• Chief Development Officer

• Vice President, Supply Chain

Oversight for environmental, social and governance (ESG) issues ultimately resides with the Yum! Brands Board of Directors, which is briefed through its Audit Committee at least twice a year. The brief, on behalf of the ESG Council, typically is performed by our Chief Sustainability Officer and/or General Counsel. In addition, the Board of Directors receives weekly updates on Environment, Social and Governance (ESG) issues, news, and trends that are occurring within our sector. In support of climate-related issues the team of the Chief Sustainability Officer conducts an annual survey of the company to assess progress made. Climate related risks, opportunities, trends are monitored, and if appropriate issues are elevated for further discussion.

Additional duties of the Chief Sustainability Officer include the representation of sustainability issues, such as climate change, on the Yum! Risk Committee. This senior level committee is responsible for the evaluation and reporting (as appropriate) of possible corporate risk to the Audit Committee of the Board of Directors for inclusion in our public filings. This committee, which looks at short, medium- and long-term risks, prioritizes risks based on a number of factors that impact the business including, but not limited to, financial, operational and reputational factors. More specifically, the size and scope of the potential impact are considered as are the possible duration, and whether the impact is likely to be a one-time occurrence or recurring in nature. The effect of the risk on business strategy given the risks and opportunities in both the short and long term is then considered. Our global citizenship and sustainability strategy reflects Yum! Brands' priorities for socially responsible growth, risk management and sustainable stewardship of our food, planet and people. We call it our Recipe for Good.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Incentives for the management of climate-related issues are incorporated into the renumeration structure at different levels of the organization to promote performance and achievement of our Recipe for Good. These include the Chief Sustainability Officer and the environmental managers.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction target Energy reduction target	The Chief Sustainability Officer is responsible for leading the execution of the Yum! sustainability strategy, including climate change. Performance of the corporation is factored into incentives.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	All time horizons are intended to be directional in nature. Forward looking time frames or statements are not predictions nor guarantees of future events or performance. They are subject to change and no assurance that they will represent future outcomes or events is provided.
Medium-term	2	5	All time horizons are intended to be directional in nature. Forward looking time frames or statements are not predictions nor guarantees of future events or performance. They are subject to change and no assurance that they will represent future outcomes or events is provided.
Long-term	5	25	All time horizons are intended to be directional in nature. Forward looking time frames or statements are not predictions nor guarantees of future events or performance. They are subject to change and no assurance that they will represent future outcomes or events is provided.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

For the current reporting cycle, CDP has requested information regarding risks that are substantive at the corporate level and not those at the facility or business unit level. As a global, decentralized, and franchise-focused organization with a diverse supply chain, many risks can be important yet not rise to the provided benchmark of being financially important at a material, substantive level to the corporation. There is no single definition of what would rise to this level but for a corporation such as Yum!, a system impact (including our direct operations, supply chain, or both) of approximately 5% of net income for the annual reporting period could be considered financially substantive at the corporate level. The definition of what would be considered as substantive for the company is reviewed at least annually and updated as necessary. However, we do consider climate change to be of strategic importance and include it in evaluations of risks and opportunities for the corporation.

The Board maintains overall responsibility for overseeing Yum!'s risk management, and delegates specific risk-related responsibilities to the Audit Committee and to the Management Planning and Development Committee. The Audit Committee discusses risk management during regular committee meetings and receives risk review reports covering significant areas of risk from senior managers responsible for these functional areas, as well as reports from the General Counsel, Internal Audit. The Audit Committee then provides a summary to the full board.

The duties of Chief Sustainability Officer include the representation of sustainability issues, such as climate change, on the Yum! risk committee. This senior level committee is responsible for the evaluation and as appropriate, reporting of possible corporate risk to the Audit Committee of the Board of Directors for inclusion in our public filings. This committee, which looks at short, medium and long-term risks, prioritizes risks based on a number of factors that impact the business including, but not limited to, financial, operational and reputational factors. More specifically, the size and scope of the potential impact are considered as are the possible duration, and whether the impact is likely to be a one-time occurrence or recurring in nature. We then consider the effect of the risk on business strategy given the risks and opportunities in both the short and long term. Therefore, water related risks, which are embodied at the restaurant and supply chain level, are incorporated into the Company's broader risk management process.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
We disclose annually on our sustainability progress and include risk evaluation into our standard review processes to better manage our environmental footprint as a global company. Our Risk Committee addresses a wide range of topics including food safety, nutrition, operations, and other environmental and social factors. Exercises conducted by the committee contain a certain level of stress testing on a number of items on our risk spectrum. This senior level committee is responsible for the evaluation and reporting (as appropriate) of possible corporate risk to the Audit Committee of the Board of Directors for inclusion in our public filings. Our Chief Sustainability Officer represents sustainability issues, such as climate change, on the Yum! Risk Committee. In addition to the risk assessment described above, we prepare a TCFD disclosure every two to three years to identify and evaluate climate-related risks. Our approach is structured around the four pillars of the TCFD framework. We look at physical and transition risks as they apply to our individual restaurants as well as supply chain partners. This work looks as risks from all short-, medium-, and long-term time horizons relevant for the issue. Risks and opportunities, generally focused on the short term, are also identified, through our annual sustainability survey whereby we collect GHG related data for evaluation. Other types of risk monitoring, such that for governmental regulations and emerging regulations, occur more than once a year

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Our Government Affairs, Sustainability and Supply Chain teams monitor for adopted climate related regulations to include in our corporate risk analysis. Our Risk Assessment process for current regulatory risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. One example of a current regulatory risk is increased regulation around packaging. To proactively address and account for such regulatory risks, Yum! Brands has established increased focus teams to address solutions that are currently available and proactively develop new solutions. For example, we recently replaced plastic straws and provided more environmentally-friendly alternatives in our Taiwanese restaurants in response to the Taiwan Environmental Protection Agency's planned ban on the use of single-use plastic drinking straws. We also participate in the Next Gen Consortium to help advance food-service packaging solutions that are recoverable. These actions will hopefully promote continued regulatory compliance, a reduction of climate-related risks, and reduced emissions in the long-term. Yum has set packaging goals as a result to further drive progress and respond to current and emerging regulations.
Emerging regulation	Relevant, always included	Our Government Affairs, Sustainability and Supply Chain teams monitor for adopted climate related regulations to include in our corporate risk analysis. Our Risk Assessment process for emerging regulatory risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. Emerging regulatory risk potential from climate change is acknowledged and reflected in our work to undertake a study and recently setting of our science-based targets. One example of an emerging regulatory risk is increased regulation around packaging, including straws. To proactively address and account for such regulatory risks, Yum! Brands has established increased focus teams to address solutions that are currently available and proactively develop new solutions, such as implementing alternatives to plastic straws in our Pizza Hut UK restaurants. We also participate in the Next Gen Consortium to help advance food-service packaging solutions that are recoverable. These actions will hopefully promote continued regulatory compliance, a reduction of climate-related risks, and reduced emissions in the long-term. Yum has set packaging goals as a result to further drive progress and respond to current and emerging regulations.
Technology	Relevant, always included	Our Yum! Chief Information Security Officer is responsible for risk evaluation and deploying a number of strategies consistent with common industry practices to mitigate cybersecurity risk, including: companywide policies and standards, risk assessments, and risk-based security and encryption protocols. Our Risk Assessment process for Technology risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. Supply Chain and Sustainability teams look for new technology to address risks. We participate in the Next Gen Consortium to help advance food-service packaging solutions that are recoverable. The sustainability team and partnering departments evaluate new technologies and approaches that address climate change and other climate related issues. Each year Yum! surveys our markets to account for energy saving technologies (i.e. efficient cooking equipment, building HVAC, etc.) that have been deployed. These actions will hopefully promote collaborative technology developments, a reduction of climate-related risks, and reduced emissions in the long-term.
Legal	Relevant, always included	Our Concepts and their franchisees are subject to numerous laws and regulations around the world. These laws change regularly and are increasingly complex. These include many areas of sustainability including but not limited to environmental laws and regulations, health, sanitation, food, and workplace safety. Our Risk Assessment process for Legal risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. One example of a current legal risk is increased regulation around packaging. To proactively address and account for such regulatory risks, Yum! Brands has established increased focus teams to address solutions that are currently available and proactively develop new solutions. We have replaced plastic straws as current regulations require, resulting in continued regulatory compliance, a reduction of climate-related risks, and reduced emissions in the long-term.
Market	Relevant, always included	The Chief Sustainability Officer works with sustainability leads at KFC, Pizza Hut, Taco Bell and Habit Burger to develop and lead the execution of our climate strategy which addresses risk and opportunities. Brand sustainability leads work within individual markets and departments including Development, Operations, and Supply Chain. Our Risk Assessment process for market risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. For example, consumers are showing preferences for sustainable packaging, and the resulting market forces have encouraged us to take action. KFC announced a global pledge that all plastic-based, consumer-facing packing will be recoverable or reusable by 2025. Taco Bell also set its own packaging and waste goals. Such actions will hopefully promote continued customer preference, a reduction of climate-related risks, and reduced emissions in the long-term. Market risk potential from climate change is acknowledged and reflected in our first TCFD report and in our setting of science-based targets.
Reputation	Relevant, always included	There has been growing interest in climate change action and taking steps to be a part of a global solution, such as our setting of science-based targets, which helps to respond to increased stakeholder pressure and avoid reputational damage. Through our insights team, called Collider Lab, we look for the emergence of trends and risks that could influence the business. An example of how reputational risks can impact the business included same-store sales in China declining 18% in the fourth quarter of 2014 following a supply chain issue in July of that year which adversely impacted our reputation with our customers. Following this incident, we took actions that included removal of the supplier, increased oversight, and communications to earn the trust of consumers. Our Risk Assessment process for reputational risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate.
Acute physical	Relevant, always included	Acute physical risks resulting from climate change can impact the availability and price of our products that are contingent on agricultural patterns, and acute risks can also impact the operations of restaurants. To study this, we conducted our first TCFD study. Acute physical risk potential from climate change is acknowledged. An example of the potential impact of an acute physical risk was hurricane Harvey that resulted in 878 cumulative closed store days over a 9-week period. A significant amount of our annual spend in our U.S. supply chain is with food products. Impacts of acute events can occur but the extent would be determined by geographical extent and severity of the drought. Our large supply chain helps us to continue to source from a diversified supplier base which helps to respond to potential impacts. Our Risk Assessment process for acute physical risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate.
Chronic physical	Relevant, always included	Chronic physical risks resulting from climate change can impact the availability and price of our products that are contingent on stable precipitation patterns and can also impact the operations of restaurants. To study this, we conducted our first TCFD study. Chronic physical risk potential from climate change is acknowledged. In recent years drought in South Africa and Australia have impacted business operations. Restaurants are a relatively energy-intensive business based on the size of our operations, and cost to procure energy varies significantly in different countries across the globe. Disruptions in energy supply and general cost increases can lead to financial burdens on restaurants, such as down-time, loss of product, and operational interruptions. Climate change can exacerbate these chronic issues. Examples of markets for our restaurants that tend to be subject to high energy prices or supply disruptions are India, South Africa and numerous countries in our Latin America and Caribbean markets. In India, where the availability of grid electrical power is a chronic problem in many locations, restaurants have taken action to provide alternative means of procuring power such as generators, as well maintain procedures for adjusting to outages. The result is our ability to often stay in operation during outages and continue to serve our customers. Our Risk Assessment process for chronic physical risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Our Concepts and their franchisees are subject to numerous laws and regulations around the world. These laws change regularly and are increasingly complex. These include many areas of sustainability including but not limited to environmental laws and regulations, health, sanitation, food, and workplace safety such as GHG regulations in the U.K. One example is the ongoing development of single use plastic bans that impact restaurants. We have seen this in state and city jurisdictions in the United States as well as oversees such as the plastic bag, utensils and straw ban in Taiwan. As a result, we recently replaced plastic straws, purchased paper bags in certain areas of the United States, and provided more environmentally-friendly alternatives in our Taiwanese restaurants in response to the Taiwan Environmental Protection Agency's planned ban on the use of single-use plastic drinking straws. We are also members of the Next Gen Consortium to help advance food-service packaging solutions that are recoverable. These actions will hopefully promote continued regulatory compliance, a reduction of climate-related risks, and reduced emissions in the long-term.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1200000

Potential financial impact figure – maximum (currency)
4300000

Explanation of financial impact figure
Compliance with new or existing laws and regulations could impact our Concepts' franchisees' operations. Compliance costs associated with these laws and regulations can be variable depending on the law and regulation. Increased regulation could result in higher energy costs at a local, national or international level. This could either directly impact restaurants or be embedded in the supply chain. Increase energy costs could adversely affect the financial performance of franchisees. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "more likely than not" there is a 50%-60% chance of occurrence.

Cost of response to risk
2900000

Description of response and explanation of cost calculation
Our Government Affairs and Sustainability teams routinely work with key stakeholders to understand current and potential future regulations regarding greenhouse gas emissions and climate change. An example is how our Global Sustainability team developed a green restaurant design standard that has been implemented in the U.K., reducing carbon emissions by over 20% and resulted in a reduction in the carbon taxes paid. Our KFC UK business is also building a net-zero building in partnership with the University of Liverpools' Zero Carbon Research Institute The desired result is to establish a path to become a net zero business by 2040 in line with the UK governments plans. Beyond this example, contributing cost factor can be increased costs resulting from transitory risks as government adjust to addressing climate change. We have adopted science-based targets and will be increasing use of renewables. We met our 2020 goal of 100% renewable energy for U.S. corporate offices. In addition, we have set a target of using renewables for our first 1,000 restaurants. A CDP-specific, climate change risk financial impact model was employed to calculate the estimated cost of responding to this risk. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial figures reflect that as a probability of "more likely than not" there is a 50%-60% chance of occurrence This work is completed as part of our TCFD analysis and is updated on frequency of two to three years.

Comment
A CDP-specific, climate change risk financial impact model was employed to calculate the estimated financial figures. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "more likely than not" there is a 50%-60% chance of occurrence. Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 50,000 restaurants in more than 150 countries worldwide, supported by thousands of suppliers. Each are subject to varying regulatory risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of regulatory changes that may or may not occur in the future.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Our success depends in large part upon our and our Concepts' franchisees' ability to maintain and enhance the value of our brands and customers' loyalty. Brand value is based in part on consumer perceptions on a variety of subjective qualities. There has been an increased public focus on environmental sustainability matters, including climate change, greenhouse gases, water resources, etc. We endeavour to conduct our business in a manner which reflects our priority of sustainable stewardship and are working to manage the risks and costs to us, our franchisees and our supply chain. As the result of such heightened public focus on environmental sustainability matters, we may face increased pressure to provide expanded disclosure, make or expand commitments, set targets, or establish additional goals and take actions to meet such goals. These matters and our efforts to address them could expose us to market, operational, reputational and execution risks or costs. Business incidents, whether isolated or recurring, and whether originating from us, franchisees, competitors, suppliers, or distributors, can significantly reduce brand value and consumer trust, particularly if the incidents receive considerable publicity or result in litigation. For example, our Concepts' brands could be damaged by claims or perceptions about the quality or safety of our products or the quality or reputation of our suppliers, distributors or franchisees, regardless of whether such claims are true. Similarly, entities in our supply chain may engage in conduct, human rights abuses or environmental wrongdoing, and any such conduct could damage our or our Concepts' brands' reputations. The risk for this driver occurs in both Direct Operations and in the Supply Chain as reputation is important for all components of our value chain. As such it is important to all of our stakeholders including customers and investors. Examples of actions that we have undertaken to manage brand reputation regarding sustainability (including climate change) include monitoring reputation, on a greater frequency than annual, and conducting customer research to capture consumer sentiment. We actively engage in research, such as the NextGen Consortium to help advance food-service packaging solutions that are recoverable across global infrastructure. KFC and Taco Bell have also announced a global sustainability pledge that all plastic-based, consumer-facing packaging will be recoverable or reusable by 2025.

Time horizon
Long-term

Likelihood
Unlikely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
5800000

Potential financial impact figure – maximum (currency)
30700000

Explanation of financial impact figure
The financial implications of a damaged reputation could negatively impact our market share, stock price and brand equity. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include Net Revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "unlikely" there is a 30%-40% chance of occurrence.

Cost of response to risk
17300000

Description of response and explanation of cost calculation
Our response includes monitoring reputation, on a greater frequency than annual, to assist us in understanding emerging trends. Understanding trends helps our brands put choice and consumer preferences at the forefront. Taco Bell, for example, has a robust offering on non-beef-based menu items, including vegetarian, that provides consumer options. They are making vegetarian options easier to access with "Veggie Mode", a single-swipe feature that instantly transforms the menu on self-service kiosks in the U.S. to show only vegetation items. Our brands also continue to explore sustainable meat substitutes. Taco Bell, our leader in beef volume, is also our leader in beef substitutes with menu items such Halloumi Cruchwarp in Cyprus and a pulled-oats vegan protein throughout Europe. Plant-based foods aren't limited to just one brand or one region — they're part of a global movement influencing menus at all of our restaurants. We also conduct customer research to capture consumer sentiment regarding sustainability and actions to address key issues such as climate change. This action leads to increased study of renewable energy with the adoption of measures beginning in 2022. We have resources including our Chief Sustainability Officer, Chief Communications and Public Affairs Officer as well as General Counsel to actively monitor and engage in this area. We proactively communicate the Company position on being good corporate stewards through our Citizenship and Sustainability Report and other public disclosures such as CDP. For example, when launching we have held multiple Twitter Chats through a third-party media company called Triple Pundit to share our progress against key environmental goals to engaged stakeholders to demonstrate our commitment to transparency and maintaining a positive brand position. A CDP-specific, climate change risk financial impact model was employed to calculate the associated cost in response to this risk. The figures used in the calculation include Net Revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated cost reflects that as a probability of "unlikely" there is a 30%-40% chance of occurrence. This work is completed as part of our TCFD analysis and is updated every two to three years.

Comment
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures associated with this risk. The figures used in the calculation include Net Revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact and cost presented reflects that as a probability of "unlikely" there is a 30%-40% chance of occurrence. Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 50,000 restaurants in more than 150 countries worldwide, supported by thousands of suppliers. Each are subject to varying reputational risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of reputational changes that may or may not occur in the future.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Increased severity and frequency of extreme weather events)

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
The products sold by our Concepts and their franchisees are sourced from a wide variety of domestic and international suppliers. We, along with our Concepts' franchisees, are also dependent upon third parties to make frequent deliveries of food products and supplies that meet our specifications at competitive prices. A shortage or interruption in the availability of certain food products or supplies could increase costs and limit the availability of products critical to restaurant operations, which in turn could lead to restaurant closures and/or a decrease in sales. This risk can impact the availability and price of our products that are contingent on stable precipitation patterns. Our ability to source from a diversified supplier base helps to minimize potential impacts. Shortages or interruptions in the supply of food items and other supplies to our Concepts' restaurants could adversely affect the availability, quality and cost of items we use and the operations of our restaurants. Such shortages or disruptions could be caused by inclement weather, natural disasters, other a variety of other issues. One example of an extreme weather event was the derecho in the Midwest United States in August 2020. Approximately 850,000 acres of corn were lost, resulting in increased corn costs for our Concepts brands and their franchisees. Please note that an advantage of our global supply chain is the ability to adapt to localized shortages and/or interruptions, if needed.

Time horizon
Long-term

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1800000

Potential financial impact figure – maximum (currency)
4700000

Explanation of financial impact figure
A shortage or interruption in the availability of certain food products or supplies could increase costs and limit the availability of products critical to restaurant operations, which in turn could lead to restaurant closures and/or a decrease in sales. This risk can impact the availability and price of our products that are contingent on stable precipitation patterns. Our ability to source from a diversified supplier base helps to minimize potential impacts. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "very likely" there is a 75%-85% chance of occurrence.

Cost of response to risk
3500000

Description of response and explanation of cost calculation
We continually work to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters. We continually evaluate the impact climate change has on our business and understand that as a large food retailer, changes in precipitation extremes have the potential to influence the price, quality and supply of materials in targeted regions. However, we may experience temporary localized shortages. An example of this has been localized shortages of fresh chicken and lettuce as a direct result of flooding in Australia. In the event of acute events, we quickly activate a crisis management response team to respond and adjust. We also deploy funds through the Yum! Brands Disaster Relief Fund to help employees after a natural disaster. In 2021 The Foundation deployed resources to assist during the Australia flooding, COVID 19, Malaysian floods and the Texas winter storm that totalled over $24 MM. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "very likely" there is a 75%-85% chance of occurrence. This work is completed as part of our TCFD analysis and is updated on frequency of two to three years.

Comment
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "very likely" there is a 75%-85% chance of occurrence. Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 50,000 restaurants in more than 150 countries worldwide, supported by thousands of suppliers. Each are subject to varying acute physical risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of physical risks that may or may not occur in the future.

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Our and our Concepts' franchisees' businesses depend on reliable sources of large quantities of raw materials such as proteins (including poultry, pork, beef and seafood), cheese, oil, flour and vegetables (including potatoes and lettuce). Raw materials purchased for use in our Concepts' restaurants are subject to price volatility caused by any fluctuation in aggregate supply and demand, or other external conditions. Our supply chain group monitors potential adverse cost factors so that alternative supply sources can be obtained if needed. An advantage of our global supply chain is the ability to adapt to better adapt to localized fluctuations.

Time horizon
Long-term

Likelihood
About as likely as not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
2100000

Potential financial impact figure – maximum (currency)
7600000

Explanation of financial impact figure
Historical prices of raw materials used in the operations of our Concepts' restaurants have fluctuated for a variety of reasons. We cannot provide assurance that our Concepts' franchisees will continue to be able to purchase raw materials at reasonable prices, or that the cost of raw materials will remain stable in the future. If we and our Concepts' franchisees are unable to manage the cost of raw materials or to increase the prices of products proportionately, our and our franchisees' profit margins may be adversely impacted. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include COGS as a proxy of indirect costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

Cost of response to risk
4700000

Description of response and explanation of cost calculation
We work continually to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters. We continually evaluate the impact climate change has on our business and understand that as a large food retailer, changes in precipitation extremes have the potential to influence the price, quality and supply of materials in targeted regions. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include COGS as a proxy of indirect costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence. This work is completed as part of our TCFD analysis and is updated on frequency of two to three years.

Comment
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures associated with this risk. The figures used in the calculation include COGS as a proxy of indirect costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence. Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk it is not possible to quantify an exact figure. Yum! Brands and it's franchise partners operate over 50,000 restaurants in more than 150 countries worldwide, supported by thousands of suppliers. Each are subject to varying chronic physical risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of physical risks that may or may not occur in the future.

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Restaurants are a relatively energy intensive business based on the size of our operations. Costs to procure energy vary significantly in different countries across the globe.

Disruptions in supply and general cost increases can lead to financial burdens on restaurants. Examples of markets for our restaurants that tend to be subject to high prices or supply disruptions are India, South Africa and numerous countries in our Latin America and Caribbean market. Although these impacts are acute at one scale they tend to be widespread and persistent.

Time horizon
Long-term

Likelihood
About as likely as not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
400000

Potential financial impact figure – maximum (currency)
2100000

Explanation of financial impact figure
An increase in operational costs from a variety of factors (including energy) could adversely affect our operating results. Given the franchise nature of our business, increased costs would more directly impact franchisees and therefore remains a risk for our organization. Increased energy costs for the supply chain could also adversely affect operation results. For example, a significant increase in gasoline prices could result in the imposition of fuel surcharges by our distributors. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

Cost of response to risk
1200000

Description of response and explanation of cost calculation
Continue to monitor policy closely and its impact on our business, while continuing to manage sustainability impacts that are most material to our supply chain. One example is that our purchasing co-op in the U.S. actively manages electricity contracts in deregulated markets to secure competitively priced sources of power. One factor in increasing energy costs can be increased costs resulting from transitory risks as governments adjust to addressing climate change. We have adopted science-based targets and will be increasing use of renewables. In 2021 we used 100% renewable electricity for U.S. corporate offices. In addition, we have set a target of using renewable electricity for our first 1,000 restaurants starting in 2022. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence. This work is completed as part of our TCFD analysis and is updated on frequency of two to three years.

Comment
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures associated with this risk. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence. Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 50,000 restaurants in more than 150 countries worldwide, supported by thousands of suppliers. Each are subject to varying market risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of market risks that may or may not occur in the future.

Identifier
Risk 6

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Market	Other, please specify (Health concerns arising from outbreaks of viruses or other diseases)

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
While many factors contribute to disease outbreaks, it has been reported that changes in global climate can bring about the spread of diseases into new, previously impacted areas. Our business could be materially and adversely affected by the outbreak of a widespread health epidemic, including various strains of avian flu or swine flu, such as H1N1. The occurrence of such an outbreak of an epidemic, illness or other adverse public health developments could materially disrupt our business and operations. Such events could also significantly impact our industry and cause a temporary closure of restaurants, which would severely disrupt our operations and have a material adverse effect on our business, financial condition and results of operations.

Time horizon
Long-term

Likelihood
Very likely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
81600000

Potential financial impact figure – maximum (currency)
277400000

Explanation of financial impact figure
Although not currently believed to be linked to climate-change, the COIVD-19 pandemic provides a case study for the potential impact of the risk of novel diseases. As a result of the ongoing pandemic, at the end of Q2 2020 we experienced a quarterly decline of system sales of 12%. At the peak in mid-April, Yum! experienced temporary closures of 11,000 restaurants. This reflects past statements that operations and supply chains can be disrupted as the result of human and animal illnesses. Outbreaks of avian flu occur sporadically around the world, including confirmed human cases. Public concern over avian flu may cause fear about the consumption of chicken, eggs and other products derived from poultry, which could cause customers to consume less of our products. Outbreaks could also adversely affect the price and availability of poultry, which could negatively impact our profit margins and revenues. We could also be adversely affected if governments impose mandatory closures, seek voluntary closures or impose restrictions on operations of restaurants. A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include Net Revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "very likely" there is a 75%-85% chance of occurrence.

Cost of response to risk
192200000

Description of response and explanation of cost calculation
Our brands have the ability to adapt with remarkable agility to promote employee and customer safety as well as to leverage digitally enabled off-site capabilities to adjust operations and provide food. This was demonstrated as part of the COVID-19 pandemic. Our brands have the ability to adapt with remarkable agility to promote employee and customer safety as well as to leverage digitally enabled off-site capabilities to adjust operations and provide food. This was demonstrated as part of the COVID-19 pandemic. We remain focused on our Recipe for Growth and Good strategy and on ensuring customers can access our delicious food in a safe, low-contact manner with outstanding value. Leveraging our scale and capabilities as the world's largest restaurant company, our four iconic brands are optimally positioned to drive profitable system sales growth in the new customer environment. Food safety starts with our leadership and cascades to our franchise partners and restaurant employees. Our approach is a holistic one, ensuring that food safety is considered at every step along the value chain. The Yum! Brands Crisis Management Program is dedicated to anticipating, identifying and managing potential emerging food safety issues at the local, regional and global levels to protect the health and safety of our consumers and employees. We have global Crisis Core Teams (CCTs) and a community outbreak detection system in place that constantly monitors foodborne illnesses, contamination and other food safety issues worldwide. CCTs monitor potential risks for appropriate mitigation and response coordination. A CDP-specific, climate change risk financial impact model was employed to calculate the cost of responding to this risk. The figures used in the calculation include Net Revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated cost reflects that as a probability of "very likely" there is a 75%-85% chance of occurrence. This work is completed as part of our TCFD analysis and is updated on frequency of two to three years.

Comment
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures associated with this risk. The figures used in the calculation include Net Revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial figures reflect that as a probability of "very likely" there is a 75%-85% chance of occurrence. Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 50,000 restaurants in more than 150 countries worldwide, supported by thousands of suppliers. Each are subject to varying market risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of market risks that may or may not occur in the future.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Move to more efficient buildings

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
As a growth company, we understand the built environment has a climate change impact. Our fundamental approaches to designing and building more efficient new buildings is contained in our global green building standard called Blueline and associated brand standards. Our brands use this playbook as a framework for our system to build restaurants with reduced environmental impact.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
25912971

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
New building financial savings are dependent on current market design, green approaches selected and local utility costs. Savings come from either full implementation of the Blueline standard or partial as reported by the marked. For full implementation, it is expected, based on detailed study and test projects that between 10% and 30% utility savings will be realized per restaurant. In 2021, it is estimated that we and our franchise partners implemented technologies in new buildings that are expected to save $25.9MM over the first year of their use. To calculate this number, we surveyed global business units to provide an accounting of individual implemented measures (Ie. fryers, lighting, hoods, walk-in refrigeration, etc.) to which savings are calculated. This number is an approximation based on market reports and included both Blueline implementation and approaches reported through our annual conservation survey.

Cost to realize opportunity
11800064

Strategy to realize opportunity and explanation of cost calculation
Implementation is conducted by local development teams in conjunction with corporate brand oversight. Yum! global sustainability maintains the Blueline standard using a website. Brands may also incorporate standards into their Development guidelines. Brands conduct periodic market reviews to access compliance and provide feedback. Brands and markets are responsible for execution of the standards. The foundation of this whole-building solution for new restaurants are third party systems such as LEED as well as detailed in-restaurant testing and sub-metering conducted throughout the world. The cost to realize this opportunity has been calculated based on implementation costs for each technology type as reported in our annual Blueline analysis and Conservation survey. The costs associated with the implementation of these methods primarily represent the initial capital costs. In 2021, it is estimated that we and our franchise partners invested approximately $11.8 MM in new green building development throughout our global system. The cost to realize this opportunity has been calculated based on implementation costs for each technology type as reported in our annual Blueline analysis and conservation survey which include a global survey of Development teams. Markets select and implement from a variety of measures. One example is the use of VFD hoods in 2021 is estimated to save 139MWh of electricity annually. A second example would be the installation of Energy Management Systems in the UK that has the potential annual savings of 7.9 MWh. A third example is the installation of walk-in cooler upgrades in France and Australia that will save an estimated 8.7 MWh annually. The savings presented represent the accumulation of tens of thousands individual conservation measures.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Move to more efficient buildings

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
More energy efficient approaches implemented in our existing restaurants enable Yum! Brands and its franchisees to take advantage of energy savings and opportunities thereby endeavor to reduce greenhouse gas output. The establishment of product efficiency standards for equipment and products has incentivized the market to develop more efficient products. We and our franchisees have invested in these technologies and look for additional opportunities. Examples of our approaches include more efficient hoods and walk-in refrigeration equipment.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
12784102

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Since 2006, Yum! Brands has been actively implementing energy conservation projects in existing buildings. Savings vary according to market and technology used. In 2021 it is estimated that we and our franchise partners implemented technologies that are expected to save $12.7 MM over the first year of their use. To calculate this number, we surveyed global business units to provide an accounting of individual implemented measures (Ie. fryers, lighting, hoods, walk-in refrigeration, etc.) to which savings are calculated. This number is an approximation based on market reports and included both Blueline implementation and approaches reported through our annual conservation survey.

Cost to realize opportunity
5445852

Strategy to realize opportunity and explanation of cost calculation
Yum! Brands employs sub-metering to identify the largest areas of opportunity in our restaurants. Once the areas of opportunity are identified, energy conservation measures are thoroughly researched and tested. Once these measures are validated, they are retrofitted into existing restaurants throughout the system by our markets where feasible. The cost to realize this opportunity has been calculated based on implementation costs for each technology type as reported in our annual Blueline analysis and Conservation survey. The costs associated with the implementation of these methods are the initial capital costs. In 2021, it is estimated that we and our franchise partners implemented technologies that cost an estimated $5.4 MM for existing and or remodeled buildings. The cost to realize this opportunity has been calculated based on implementation costs for each technology type as reported in our annual Blueline analysis and conservation survey. Markets select and implement from a variety of measures. One example is the use of VFD hoods in 2021 is estimated to save 139MWh of electricity annually. A second example would be the installation of Energy Management Systems in the UK that has the potential annual savings of 7.9 MWh. A third example is the installation of walk-in cooler upgrades in France and Australia that will save an estimated 8.7 MWh annually. The savings presented represent the accumulation of tens of thousands individual conservation measures. In addition to these projects, we also complete other approaches that do not include added capital expense. An example of this was the energy management program that has been implemented in 92 restaurants throughout India.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Renewable energy projects, enabled by renewable energy regulations, may create opportunities that result in lower electricity costs over time for restaurants and increased goodwill.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
71607

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The exact financial implications vary according to market and the scope of the installation. The financial estimate provided is based on the average savings from company buildings in Australia that were built through in 2021 and may or may not be indicative of future results. Reduced operational costs as well increased resilience in some markets may be opportunities in the upcoming years.

Cost to realize opportunity
358035

Strategy to realize opportunity and explanation of cost calculation
The ability to source energy from renewable sources may result in a positive financial return for Yum and its franchisees. However, there are inherit limitations for our application of on-site solar due to the small size of our buildings. We are currently using on-site solar energy at KFC Australia and it is now installed at 43 corporate locations. We have also contracted in a PPA agreement for our Plano, TX office as well as have secured green-e certified RECs for our other offices in the United States. The costs to realize opportunity that are provided are associated with local generation implementation although maintenance costs are be expected. The financial estimates provided are based on cost and savings averages from buildings in Australia and may or may not be indicative of future results. There are also costs associated with the procurement of RECs which fluctuate according to the market which are not included. We are undertaking a global study to evaluate further renewable energy options for Yum! Brands as well as our franchisees. This study, underway in 2021 and 2022, with the assistance of external experts will assist us in developing a roadmap. The project involves key internal stakeholders as well a group of franchisees serving as advisors. This project is being conducted in support an anticipation of contributing positive outcomes as we work toward our 2030 science-based targets.

Comment

Increasing the use of renewable energy can help reduce our emissions. We created and achieved a goal to shift to 100% renewable energy in our U.S. corporate offices by the end of 2020. We also created our second renewable energy goal which is to use renewable electricity for 1,000 restaurants starting in 2022. We have been using RECs to meet this goal.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted & fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). While we currently have a high-level strategy as well as many tactical approaches to achieve our SBTs, we continue to refine the details of our complete transition plan. Our brands and their business units are executing against existing opportunities that support the achievement of our targets. We look forward to formalizing a transition plan and sharing our progress in future disclosures

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios: IEA SDS	Company-wide	<Not Applicable>	Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). Yum! also aspires to reach Net-Zero emissions by 2050. Furthermore, Yum! has reviewed different scenarios and have identified that combinations of physical and transition risks will vary by geography versus being globally harmonized. This insight was used as a fundamental component of our comprehensive TCFD-aligned global risk and opportunity assessment of global restaurants and suppliers. If a business as usual (BAU) or Current Policy (CP) scenario plays out, then global temperatures will be well above 2°C and physical climate risks could be more frequent and intense. If, on the other hand, the transition to a low carbon economy is significantly accelerated, then global warming will be slowed and ultimately reversed. This scenario could result in physical risks being less frequent or intense with companies facing greater transition risks. The Yum! approach to assessing and managing climate-related risks and opportunities accounts for these different climate-related scenarios.
Transition scenarios: IEA CPS	Company-wide	<Not Applicable>	Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). Yum! also aspires to reach Net-Zero emissions by 2050. Furthermore, Yum! has reviewed different scenarios and have identified that combinations of physical and transition risks will vary by geography versus being globally harmonized. This insight was used as a fundamental component of our comprehensive TCFD-aligned global risk and opportunity assessment of global restaurants and suppliers. If a business as usual (BAU) or Current Policy (CP) scenario plays out, then global temperatures will be well above 2°C and physical climate risks could be more frequent and intense. If, on the other hand, the transition to a low carbon economy is significantly accelerated, then global warming will be slowed and ultimately reversed. This scenario could result in physical risks being less frequent or intense with companies facing greater transition risks. The Yum! approach to assessing and managing climate-related risks and opportunities accounts for these different climate-related scenarios.
Physical climate scenarios: RCP 2.6	Company-wide	<Not Applicable>	Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). Yum! also aspires to reach Net-Zero emissions by 2050. Furthermore, Yum! has reviewed different scenarios and have identified that combinations of physical and transition risks will vary by geography versus being globally harmonized. This insight was used as a fundamental component of our comprehensive TCFD-aligned global risk and opportunity assessment of global restaurants and suppliers. If a business as usual (BAU) or Current Policy (CP) scenario plays out, then global temperatures will be well above 2°C and physical climate risks could be more frequent and intense. If, on the other hand, the transition to a low carbon economy is significantly accelerated, then global warming will be slowed and ultimately reversed. This scenario could result in physical risks being less frequent or intense with companies facing greater transition risks. The Yum! approach to assessing and managing climate-related risks and opportunities accounts for these different climate-related scenarios.
Physical climate scenarios: RCP 4.5	Company-wide	<Not Applicable>	Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). Yum! also aspires to reach Net-Zero emissions by 2050. Furthermore, Yum! has reviewed different scenarios and have identified that combinations of physical and transition risks will vary by geography versus being globally harmonized. This insight was used as a fundamental component of our comprehensive TCFD-aligned global risk and opportunity assessment of global restaurants and suppliers. If a business as usual (BAU) or Current Policy (CP) scenario plays out, then global temperatures will be well above 2°C and physical climate risks could be more frequent and intense. If, on the other hand, the transition to a low carbon economy is significantly accelerated, then global warming will be slowed and ultimately reversed. This scenario could result in physical risks being less frequent or intense with companies facing greater transition risks. The Yum! approach to assessing and managing climate-related risks and opportunities accounts for these different climate-related scenarios.
Physical climate scenarios: RCP 6.0	Business division	<Not Applicable>	Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). Yum! also aspires to reach Net-Zero emissions by 2050. Furthermore, Yum! has reviewed different scenarios and have identified that combinations of physical and transition risks will vary by geography versus being globally harmonized. This insight was used as a fundamental component of our comprehensive TCFD-aligned global risk and opportunity assessment of global restaurants and suppliers. If a business as usual (BAU) or Current Policy (CP) scenario plays out, then global temperatures will be well above 2°C and physical climate risks could be more frequent and intense. If, on the other hand, the transition to a low carbon economy is significantly accelerated, then global warming will be slowed and ultimately reversed. This scenario could result in physical risks being less frequent or intense with companies facing greater transition risks. The Yum! approach to assessing and managing climate-related risks and opportunities accounts for these different climate-related scenarios.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Yum! is committed to addressing the climate crisis by supporting a transition to a sustainable, low-carbon economy. Our focal questions in our scenario analysis aim to address the following: • What are the types of climate-related physical and transition risks material to our business? • Where are the hotspots in our operations and supply chain that are vulnerable to climate change impacts? Yum!'s first-ever Taskforce on Climate-related Financial Disclosures (TCFD) report analyzed our climate risks and opportunities globally. Yum! evaluated and modeled the business implications of climate related risks and opportunities with consideration of short, medium, and long-term applicability to our business. Such implications include, but are not limited to, the following: Acute Physical Risks - For Restaurants, such events could result in direct damage to our physical restaurants, equipment, and other assets and/or temporary closure. Restaurants located in highly vulnerable areas could have higher insurance premiums. For supply chain, such events could result in a shortage or interruption in the availability of certain food products or supplies. Chronic Physical Risks - For Restaurants, such risk scenarios could result in disruptions to individual restaurants due to intermittent, seasonal, and/or prolonged disruptions of energy and water services. For supply chain, our businesses depend on reliable sources of large quantities of raw materials such as proteins (including poultry, pork, and beef), cheese, oil, flour and vegetables (including potatoes and lettuce). Raw materials purchased for use in our restaurants are subject to price volatility caused by any fluctuation in aggregate supply and demand, or other external conditions. Regulatory Transition Risks - Our restaurants and supply chain are subject to numerous existing and emerging climate-related laws and regulations around the world. Yum! and franchise partners operate over 50,000 restaurants in more than 150 countries worldwide, each requiring compliance with varying levels of governmental regulations. Market Transition Risks - Our restaurants must maintain and enhance the value of our brands and our customers' loyalty to our brands. Brand value is based in part on consumer perceptions on a variety of subjective qualities and can be impacted by the perception of insufficient climate-related strategies, business continuity, and climate resiliency.

Results of the climate-related scenario analysis with respect to the focal questions

Yum! has reviewed different scenarios and has identified that a combination of physical and transition risks will vary by geography versus being globally harmonized. The assessment results provide a foundation for Yum!'s commitment to a dual strategy of decarbonization and climate resiliency as both are critical to a sustainable business. Overall, the Yum! business model has strong elements of risk mitigation built in given our vast geographical footprint. Restaurant Climate Risk Category and Exposure: Acute Physical Risk – single extreme weather event (e.g. flooding, hurricane, tornado): 7.5% of global restaurants at risk Chronic Physical Risk – prolonged impacts from slow-onset climate shifts (e.g. water stress, persistent drought): 3.1% of global restaurants at risk Transition & Market Risk – climate related regulations (e.g. carbon pricing) and/or stakeholder perceptions.: 15.8% of global restaurants as risk. Supply Chain Climate Risk Category and Exposure: Acute Physical Risk – single extreme weather event (e.g. flooding, hurricane, tornado): 8.8% of global suppliers at risk Chronic Physical Risk – prolonged impacts from slow-onset climate shifts (e.g. water stress, persistent drought): 12.6% of global suppliers at risk Transition & Market Risk – climate related regulations (e.g. carbon pricing) and/or stakeholder Perceptions: 39.2% of global suppliers at risk

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Our brands put choice and consumer preferences at the forefront of their work. Taco Bell has a robust offering on non-beef-based menu items, including vegetarian, that provides consumer options. They are making vegetarian options easier to access with “Veggie Mode”, a single-swipe feature that instantly transforms the menu on self-service kiosks in the U.S. to show only vegetation items. Our brands also continue to explore sustainable test meat substitutes. Taco Bell, our leader in beef volume, is also our leader in beef substitutes with menu items such as the “Oatrageous Taco” which is sold in Europe. In the United States, Pizza Hut was the first national pizza company to offer plant-based meat across the country. One of the benefits us using non-beef products is reduced greenhouse gas emissions. The timeframe for this is dependent on consumer preferences and varies in markets around the world.
Supply chain and/or value chain	Yes	Climate related risks and opportunities in the supply chain have led us to focus on efforts to eliminate deforestation. We have set goals, such as to purchase 100% of our paper-based packaging from with fiber from responsibility managed forests and recycled sources. We also met our goal of supporting the production of sustainable palm oil for cooking thorough RSPO. To show our support Yum! Brands endorsed the New York Declaration on Forests (NYDF) and the provide sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products no later than 2020, and striving to end natural forest loss by 2030. We continually evaluate the impact climate change has on our supply chain. Increases in food and packaging pricing resulting from climate change directly or indirectly impact the supply chain through commodity prices that impacts our concepts’ franchisees’ profit margins. These can include impacts from events such as drought or impact through infectious diseases. We work continually to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters.
Investment in R&D	Yes	Recognizing the opportunity for energy conserving, GHG reducing technologies and approaches resulted in increased R&D. During the preparation of our green building standard, Blueline, Yum! our brands and selected franchisees invested in building R&D. This included extensive sub-metering of utilities and green and not green buildings to gather and study the most effective approach. Together we built a series of 35 LEED certified to test our approaches. The result of this work was the creation of our green building standard, Blueline, and the inclusion of sustainability measures into thousands of our restaurants. Now KFC is requiring components of green building in all of their new restaurants under the Building Green program. In partnership with industry peers, we have joined the NextGen Consortium to help advance food-service packaging solutions that are recoverable thereby contributing to greenhouse gas mitigation efforts. We have set climate-based targets for the corporation. Achieving these goals, which focus both on our buildings and supply chain, will require additional investment in R&D over the time frame of our commitment (2030).
Operations	Yes	GHG and energy reducing technologies and approaches as identified as opportunities are being implemented in thousands of our restaurants. These include more efficient hoods, refrigeration equipment, HVAC and lighting. Higher efficiency equipment increases our resiliency to adapt to specific events including challenges with local utility supplies. Our efforts to realize this opportunity are an ongoing focus on our development teams and efforts are measured, including GHG avoidance, energy savings and investment, on an annual basis.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	Revenues: One identified risk was health concerns arising from outbreaks of viruses or other diseases. While many factors contribute to disease outbreaks, it has been reported that changes in global climate and bring about the spread of diseases into new, previously unimpacted areas. Our business could be materially and adversely affected by the outbreak of a widespread health epidemic. The occurrence of such an outbreak of an epidemic, illness or other adverse public health developments can materially disrupt our business and operations as has been the case with COVID 19 as an example. Although not proven to be linked to climate-change, the COVID-19 pandemic provides case study of the potential risk of novel diseases. As a result of the ongoing pandemic at the end of Q2 2020 experienced a quarterly decline of system sales of 12%. At the peak in mid-April, Yum! experienced temporary closures of 11,000 restaurants. This is a case study of the impact of a pandemic. This reflects past statements that operations and supply chains can be disrupted as the result of human and animal illnesses. Outbreaks of avian flu occur sporadically around the world, including confirmed human cases. Public concern over avian flu may cause fear about the consumption of chicken, eggs and other products derived from poultry, which could cause customers to consume less of our products. Outbreaks could also adversely affect the price and availability of poultry, which could negatively impact our profit margins and revenues. We could also be adversely affected if governments impose mandatory closures, seek voluntary closures or impose restrictions on operations of restaurants. Due to the diverse and broad nature associated with this risk, it is not possible to estimate the potential financial impact. Operating Costs: Energy conserving, GHG reducing technologies and approaches as identified as opportunities are being implemented in thousands of our restaurants. These include more efficient hoods, refrigeration equipment, HVAC and lighting. Higher efficiency equipment increases our resiliency to adapt to specific events including challenges with local utility supplies. In 2021, we estimate that we and our franchise partners implemented green building technologies and approaches that saved an estimated $38.7 MM. The risk of changes in operating costs due to energy our factored into our standard planning proses as energy is a component of the restaurant profit and loss statement. Restaurants are a relatively energy intensive business based on the size of our operations. Cost to procure energy vary significantly in different countries across the globe. Disruptions in supply and general cost increases can lead to financial burdens on restaurants. Examples of markets for our restaurants that tend to be subject to high prices or supply disruptions are India, South Africa and numerous counties in our Latin America and Caribbean market. Although these impacts are acute at one scale they tend to widespread and persistent. We have also identified risks or shortage or interruptions in the availability and delivery of food and other supplies as well as increased food prices. We work continually to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. During the COIVID-19 pandemic our system was able to provide products in the restaurants despite supply change challenges. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters. We continually evaluate the impact climate change has on our business and understand that as a large food retailer, changes in precipitation. Capital expenditures / capital allocation: Taking advantage of more efficient new buildings and incorporating energy savings approaches into existing buildings is factored into capital expenditures during the annual planning process. The costs associated with the implementation of these methods are primarily the initial capital costs. These are planned for on an annual basis. In 2021, an estimated 17.3 MM dollars were invested in new green building development as well as existing building renovations in our system throughout the world by the company and franchisees. This number is an approximation based on market reports. Acquisitions and divestments: The risks and opportunities that have been identified are not typically impacting acquisition and divestment. Access to capital: The risks and opportunities that have been identified have not historically impacted our access to capital. Assets: Energy conserving, GHG reducing technologies and approaches as identified as opportunities are being implemented in thousands of our restaurants. These include more efficient hoods, refrigeration equipment, HVAC and lighting. Higher efficiency equipment increases our resiliency to adapt to specific events including challenges with local utility supplies. Liabilities: The risks and opportunities that have been identified have not had a material impact on our liabilities.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2019

Base year Scope 1 emissions covered by target (metric tons CO2e)
36271.87

Base year Scope 2 emissions covered by target (metric tons CO2e)
161675.95

Base year Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
197947.82

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
99.9

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
46

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
106891.8228

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
35929.68

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
112665.22

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
148594.9

% of target achieved relative to base year [auto-calculated]
54.2006254586381

Target status in reporting year
New

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted & fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We now have set approved science-based targets. The reported target in this row covers 99.9% of our base-year Scope 1 and 2 emissions. The emissions in the reporting year include our recent acquisition, Habit Burger Grill. Our baseline for this goal has been updated to include

Habit Burger.

Plan for achieving target, and progress made to the end of the reporting year
Reducing Scope 1 and 2 emissions in restaurants and office buildings is focused on a two-pronged strategy: energy conservation measures and renewable energy. The fundamentals of incorporating restaurant smart energy conservation measures into buildings to help reduce emissions are contained in our global green building standard called Blueline and associated brand standards. Having energy reducing measures built into brand standards means that tried and true carbon reducing technologies and approaches are built into from the start. Although reducing energy is the starting point and has provided progress to date, renewable energy sources are also part of strategy to achieve our target. We have moved our U.S offices to renewable electricity though PPAS and RECs and starting in 2022, the first 1,000 restaurants will also be using green electricity through RECs. We are undertaking a global study to evaluate further renewable energy options for Yum! Brands as well as our franchisees. This study, underway in 2021 and 2022, with the assistance of external experts will assist us in developing a roadmap. The project involves key internal stakeholders as well as a group of franchisees serving as advisors. This project is being conducted in support an anticipation of contributing positive outcomes as we work toward our 2030 science-based targets.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number
Int 1

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 14: Franchises

Intensity metric
Other, please specify (Metric tons of CO2e per Restaurant)

Base year
2019

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)
170.5

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
170.5

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure
22

% of total base year emissions in all selected Scopes covered by this intensity figure
22

Target year
2030

Targeted reduction from base year (%)
46

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]
92.07

% change anticipated in absolute Scope 1+2 emissions

% change anticipated in absolute Scope 3 emissions
4.2

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)
135.5

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
135.5

% of target achieved relative to base year [auto-calculated]
44.6257809511666

Target status in reporting year
New

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted & fastest growing restaurant brands. We now have set approved science-based targets that cover our franchise restaurant operations (Scope 3) as this has been a significant source of emissions. Our goal is to reduce carbon intensity per restaurant in franchisees by 46% by 2030 compared to a 2019 baseline.

Plan for achieving target, and progress made to the end of the reporting year
Reducing franchisee Scope 1 and 2 emissions (Yum Scope 3) in restaurants is focused on a two-pronged strategy: energy conservation measures and renewable energy. The fundamentals of incorporating restaurant smart energy conservation measures into buildings to help reduce emissions are contained in our global green building standard called Blueline and associated brand standards. Having energy reducing measures built into brand standards means that tried and true carbon reducing technologies and approaches are built into from the start. Although reducing energy is the starting point and has provided progress to date, renewable energy sources are also part of the strategy to achieve our target. We have moved our U.S offices to renewable electricity though PPAS and RECs and starting in 2022, the first 1,000 restaurants will also be using green electricity through RECs. We are undertaking a global study to evaluate further renewable energy options for Yum! Brands as well as our franchisees. This study, underway in 2021 and 2022, with the assistance of external experts will assist us in developing a roadmap. The project involves key internal stakeholders as well as a group of franchisees serving as advisors. This project is being conducted in support an anticipation of contributing positive outcomes as we work toward our 2030 science-based targets.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Int 2

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services

Intensity metric
Other, please specify (Metric tons of CO2e per Restaurant)

Base year
2019

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)
8.2

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
8.2

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure
68

% of total base year emissions in all selected Scopes covered by this intensity figure
68

Target year
2030

Targeted reduction from base year (%)
46

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]
4.428

% change anticipated in absolute Scope 1+2 emissions

% change anticipated in absolute Scope 3 emissions
31

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)
7.82

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
7.82

% of target achieved relative to base year [auto-calculated]
10.0742311770944

Target status in reporting year
New

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted & fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade. We now have set approved science-based targets that cover our beef, dairy, poultry and packaging emissions. These include the most significant purchased goods and services emissions. Our goal is to reduce these emissions by 46% by 2030 compared to a 2019 baseline.

Plan for achieving target, and progress made to the end of the reporting year
Reducing agricultural supply chain emission is challenging as many industry discussions are ongoing and requires close collaboration with suppliers. Our plan to address this includes education on the fundamentals of emissions reductions and test pilots to help industries develop programs to experiment and learn. Regarding education, in 2021, we joined the Supplier Leadership on Climate Transition (Supplier LoCT), a consortium of multinational companies created to accelerate action throughout the supply chain in the march toward net-zero GHG emissions. The program helps suppliers build climate knowledge, calculate emissions, set their own SBTs and share climate roadmaps and playbooks. We are planning to roll out Supplier LoCT more broadly around the world in the future. Pizza Hut is partnering with the Dairy Farmers of America (DFA) on technology that helps farmers feed their cows more efficiently, leading to a natural reduction in methane emissions, waste and GHGs. Together these approaches will help suppliers set their own SBTs and help industries move forward in emission reduction efforts. Our brands have an additional role as we provide for the continued expansion of plant-based protein on our menus. We continue to see significant growth for Taco Bell's plant-based beef alternative products in the U.S., Pizza Hut's plant-based pepperoni and KFC's chicken substitutes globally. As customers continue to choose these options over meat-based proteins, fewer animals will need to be raised for food, and their associated emissions will be avoided. We are working to account for this evolution in our GHG accounting. Last, but importantly we understand that raising animals for food can also contribute to climate change and deforestation. Through close collaboration with our direct and indirect suppliers, we estimate that 99% of our beef supply was sourced from regions of lower risk of tropical deforestation in 2021. Soy, which is a primary ingredient in our chicken feed, has a more complex supply chain. While our business is several steps removed from the soybean production, we continue to work across our supply chain to achieve greater levels and accountability. Yum! worked with FAI Farms in 2021 to address sourcing soy from areas of high deforestation risk. In early 2022, we expanded our data collection to account for global soy usage in our supply chain

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2019

Target coverage
Site/facility

Target type: energy carrier
Electricity

Target type: activity

Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2019

Consumption or production of selected energy carrier in base year (MWh)
22307

% share of low-carbon or renewable energy in base year
0

Target year
2021

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
100

% of target achieved relative to base year [auto-calculated]
100

Target status in reporting year
Achieved

Is this target part of an emissions target?
Renewable energy is an important tool in reducing greenhouse gas emissions. As we have set science-based targets, we are studying ways of increasing our renewable energy. The first step is to use 100% renewable energy for our U.S. corporate offices. We achieved this through a PPA for our Plano offices and RECs in other remaining offices.

Is this target part of an overarching initiative?
Science Based Targets initiative

Please explain target coverage and identify any exclusions
Renewable energy is an important tool in reducing greenhouse gas emissions. As we have set science-based targets, we are studying ways of increasing our renewable energy. The first step is to 100% use renewable energy for our U.S. corporate offices. We achieved this through a PPA for our Plano offices and RECs in other remaining offices.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
We have contracted in a PPA agreement for our Plano, TX office as well as have secured green-e certified RECs for our other offices in the United States.

Target reference number
Low 2

Year target was set
2021

Target coverage
Site/facility

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2021

Consumption or production of selected energy carrier in base year (MWh)
163577

% share of low-carbon or renewable energy in base year
0

Target year
2022

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
0

% of target achieved relative to base year [auto-calculated]
0

Target status in reporting year
New

Is this target part of an emissions target?

Renewable energy is an important tool in reducing greenhouse gas emissions. As we have set science-based targets, we are studying ways of increasing our renewable energy. The second step is to use 100% for our first 1,000 restaurants.

Is this target part of an overarching initiative?
Science Based Targets initiative

Please explain target coverage and identify any exclusions
Renewable energy is an important tool in reducing greenhouse gas emissions. As we have set science-based targets, we are studying ways of increasing our renewable energy. The second step is to use 100% for our first 1,000 restaurants.

Plan for achieving target, and progress made to the end of the reporting year
Since the beginning of 2022 we have been procuring RECs to meet our goal of 100% renewable electricity for our first 1,000 restaurants. We are also undertaking a global study to evaluate further renewable energy options for Yum! Brands as well as our franchisees. This study, underway in 2021 and 2022, with the assistance of external experts will assist us in developing a roadmap that may lead us to alternative approaches for securing green electricity for our first 1,000 restaurants.

List the actions which contributed most to achieving this target
<Not Applicable>

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2018

Target coverage
Business division

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	metric tons of waste diverted from landfill

Target denominator (intensity targets only)
<Not Applicable>

Base year
2018

Figure or percentage in base year
0

Target year
2025

Figure or percentage in target year
50

Figure or percentage in reporting year
19

% of target achieved relative to base year [auto-calculated]
38

Target status in reporting year
Underway

Is this target part of an emissions target?
We use the EPA's WARM tool to calculate the CO2e avoidance related to our waste diversion activities. Results are included in our reporting for emissions reduction initiatives.

Is this target part of an overarching initiative?
Other, please specify (U.S. EPA Food Recovery Challenge)

Please explain target coverage and identify any exclusions
Yum! Brands is committed to first reducing, and then mindfully reusing or recycling, the waste generated at our restaurants. We set an aspirational goal to divert 50% of the back-of-house operational waste generated by weight in our U.S. restaurants by 2020. Although we have been able to achieve an estimated 19% reduction level, we have not been able to maintain our positive trajectory. To calculate progress for this goal, we first determined our heaviest sources of waste: spent cooking oil, cardboard and food. Our baseline for this is rolling. In other words, we seek to divert 50% of the waste generated in the reporting year.

Plan for achieving target, and progress made to the end of the reporting year
In 2021, 19% of total waste was diverted. Reducing wasted food—our highest emitter of methane—is where Yum! Brands has made the most significant strides. We adhere to the EPA's Food Recovery Hierarchy, which shows that there are much better places for leftover food than the landfill or even the compost bin. According to this hierarchy, reducing food waste begins at the source. We work with suppliers to purchase only as much fresh food as we expect to sell to customers based on our projections. The next best use for surplus food is to feed hungry people. That's exactly what Yum! has been doing for more than 25 years through our Harvest program. Through Harvest, Pizza Hut and KFC stores donate surplus food from our restaurants to food banks, soup kitchens and other non-profits.

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 2

Year target was set
2018

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify	Other, please specify (Sustainable Palm Oil)

Target denominator (intensity targets only)
<Not Applicable>

Base year
2019

Figure or percentage in base year
100

Target year
2021

Figure or percentage in target year
100

Figure or percentage in reporting year
100

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Achieved

Is this target part of an emissions target?
Yum! Brands is committed to eliminating deforestation. We have endorsed the New York Declaration on Forests. Our sustainable paper-based packaging and palm oil sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2020) and the start year and target year as the reporting year (2021). Sustainable palm oil sourcing is a priority at Yum! Brands. From 2019 through 2021 we met our goal of sourcing 100% of palm oil used for cooking from sustainable and responsible sources. Our Sustainable Palm Oil Policy gives preference to third-party certification by the Roundtable on Sustainable Palm Oil (RSPO). We will continue to strive to meet this goal on an annual basis.

Is this target part of an overarching initiative?
Other, please specify (New York Declaration on Forests- Palm Oil)

Please explain target coverage and identify any exclusions
Yum! Brands is committed to eliminating deforestation. We have endorsed the New York Declaration on Forests. Our sustainable paper-based packaging and palm oil sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2020) and the start year and target year as the reporting year (2021). Sustainable palm oil sourcing is a priority at Yum! Brands. Our public commitment is to continue our goal, first achieved in 2019, to source 100% of the product used for cooking from responsible and sustainable sources. This goal was chosen because Yum! sources a large volume of palm oil used for cooking and we are committed to using environmentally preferable palm oil that reduces our impact on the environment and communities where we operate.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
From 2019 and 2021 we met our goal of sourcing 100% of palm oil used for cooking from sustainable and responsible sources. Yum! sustainable sourcing policies and principles are intended to mitigate our impact on climate change by reducing deforestation relating to the palm oil that we source. Our Sustainable Palm Oil Policy gives preference to third-party certification by the Roundtable on Sustainable Palm Oil (RSPO). To track our progress, we survey business units worldwide regarding their accomplishments against our sourcing goals. We have worked with key franchisees to achieve results and have also worked to educate suppliers and when necessary, remove them from our supply chain. We will continue to strive to meet this goal on an annual basis.

Target reference number
Oth 3

Year target was set
2014

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify	Other, please specify (New York Declaration on Forests-Fiber-Based Products)

Target denominator (intensity targets only)
<Not Applicable>

Base year
2018

Figure or percentage in base year
70

Target year
2025

Figure or percentage in target year
100

Figure or percentage in reporting year
74

% of target achieved relative to base year [auto-calculated]
13.3333333333333

Target status in reporting year
Revised

Is this target part of an emissions target?
Yum! Brands is committed to eliminating deforestation. We have endorsed the New York Declaration on Forests. Our sustainable paper-based packaging and palm oil sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact. Our public goal is to purchase 100% of our paper-based packaging from responsibly managed forests and recycled sources by the end of 2022 for all markets outside of China. China has committed to reach the goal by 2025

Is this target part of an overarching initiative?
Other, please specify (New York Declaration on Forests)

Please explain target coverage and identify any exclusions
Yum! Brands is committed to eliminating deforestation. We have endorsed the New York Declaration on Forests. Our sustainable paper-based packaging and palm oil sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact. Our public goal is to purchase 100% of our paper-based packaging from responsibly managed forests and recycled sources by the end of 2022 for all markets outside of China. China has committed to reach the goal by 2025.

Plan for achieving target, and progress made to the end of the reporting year
Each year we collect data on the current state of certification from our suppliers and supply chain leaders. Progress is tracked at the business unit and supplier levels. Corporate supply chain leaders work with the market to encourage the transition. Together we work to increase the quantity of certified and recycled fiber in our packaging.

List the actions which contributed most to achieving this target
<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs2
Int2
Int3

Target year for achieving net zero
2050

Is this a science-based target?
No, but we are reporting another target that is science-based

Please explain target coverage and identify any exclusions
We have committed to the aspirational target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5°C Commitment Letter.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Unsure

Planned milestones and/or near-term investments for neutralization at target year
<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	126319	975869
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
162

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
69182

Investment required (unit currency – as specified in C0.4)
13293

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
In 2021, 11 KFC Australia restaurants have commissioned on-site solar installations. A total of 43 KFC restaurants in Australia have been equipped for on-site solar generation.

Initiative category & Initiative type

Low-carbon energy consumption	Other, please specify (Combination of on-site solar, PPAs, and EACs)

Estimated annual CO2e savings (metric tonnes CO2e)
8871

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
67000

Payback period
No payback

Estimated lifetime of the initiative
1-2 years

Comment
Low-carbon electricity purchases were made for U.S. office locations. This includes a PPA for the Plano office and EACs for all other U.S. based offices.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (New construction)

Estimated annual CO2e savings (metric tonnes CO2e)
221

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
69182

Investment required (unit currency – as specified in C0.4)
13293

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Using our global green building standard, called Blueline and associated brand standards, technologies and practices that reduce energy consumption and greenhouse gas emissions from design and construction or new restaurants are being used globally. Designing and constructing these buildings is a focus of reducing our environmental impact. We include energy reducing technologies in areas including high-efficiency HVAC, optimized hoods, interior lighting, parking lot lighting, signage lighting, hot water generation, cooking equipment as well as key construction practices such as HVAC. Our goal is to have equity restaurants comply with the standards. Brands and countries incorporate standard components into their templates as feasible. As we do not track Scope 1 and Scope 2 savings and investment specifically, we have allocated a percentage of overall savings and investment levels as reported together and divided according the percentage of GHG emissions reported for Scope 1 and Scope 2.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (New construction - combination of approaches)

Estimated annual CO2e savings (metric tonnes CO2e)
1158

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
363204

Investment required (unit currency – as specified in C0.4)
69787

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Using our global green building standard, called Blueline, technologies and practices that reduce energy consumption and greenhouse gas emissions from design and construction or new restaurants are being used globally. Designing and constructing these buildings is a focus of reducing our environmental impact. We include energy reducing technologies in areas including high-efficiency HVAC, optimized hoods, interior lighting, parking lot lighting, signage lighting, hot water generation, cooking equipment as well as key construction practices such as HVAC. Our goal is to have equity restaurants comply with the standards. Brands and countries incorporate standard components into their templates as feasible. As we do not track Scope 1 and Scope 2 savings and investment specifically we have allocated a percentage of overall savings and investment levels as reported together and divided according the percentage of GHG emissions reported for Scope 1 and Scope 2.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (New construction - combination of approaches)

Estimated annual CO2e savings (metric tonnes CO2e)
113618

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 14: Franchises

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
25480585

Investment required (unit currency – as specified in C0.4)
11716984

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Using our global green building standard, called Blueline, technologies and practices that reduce energy consumption and greenhouse gas emissions from design and construction or new restaurants are being used globally. Designing and constructing these buildings is a focus of reducing our environmental impact. We include energy reducing technologies in areas including high-efficiency HVAC, optimized hoods, interior lighting, parking lot lighting, signage lighting, hot water generation, cooking equipment as well as key construction practices such as HVAC. Our goal is to have equity restaurants comply with the standards. Brands and countries incorporate standard components into their templates as feasible, Franchisees are encouraged to participate.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Existing Construction - combination of approaches)

Estimated annual CO2e savings (metric tonnes CO2e)
120

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
37712

Investment required (unit currency – as specified in C0.4)
19094

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
The principles that we use to reduce emissions in new buildings also apply in existing buildings. During remodel programs and retrofitting projects these are implemented in restaurants across the globe. The nature and scope of these projects vary from year to year, but data is reported annually. For this reporting cycle examples include LOW fryers in the United States.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Existing construction - combination of approaches)

Estimated annual CO2e savings (metric tonnes CO2e)
631

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
171741

Investment required (unit currency – as specified in C0.4)
100246

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
The principles that we use to reduce emissions in new buildings also apply in existing buildings. During remodel programs and retrofitting projects these are implemented in restaurants across the globe. The nature and scope of these projects vary from year to year, but data is reported annually. For this reporting cycle an example includes high efficiency HVAC in the United States.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Existing construction - combination of approaches)

Estimated annual CO2e savings (metric tonnes CO2e)
32432

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 14: Franchises

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
12579649

Investment required (unit currency – as specified in C0.4)
5326512

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
The principles that we use to reduce emissions in new buildings also apply in existing buildings. During remodel programs and retrofitting projects these are implemented in restaurants across the globe. The nature and scope of these projects vary from year to year, but data is reported annually. For this reporting cycle examples include heat pump water heaters in Pizza Hut China, high efficiency HVAC units in KFC India as well as LED lighting in KFC South Africa.

Initiative category & Initiative type

Waste reduction and material circularity	Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)
8963

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
Ongoing

Comment
Reducing wasted food—our highest emitter of methane—is where Yum! Brands has made the most significant strides. We adhere to the EPA's Food Recovery Hierarchy, which shows that there are much better places for leftover food than the landfill or even the compost bin. According to this hierarchy, reducing food waste begins at the source. We work with suppliers to purchase only as much fresh food as we expect to sell to customers based on our projections. The next best use for surplus food is to feed hungry people. That's exactly what Yum! has been doing for more than 25 years through our Harvest program. Through Harvest, Pizza Hut and KFC stores donate surplus food from our restaurants to food banks, soup kitchens and other nonprofits. Emissions reduction calculated used EPA Waste Reduction Model (WARM) spreadsheet. Cost and savings not calculated.

Initiative category & Initiative type

Waste reduction and material circularity	Product/component/material recycling

Estimated annual CO2e savings (metric tonnes CO2e)
809693

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
Ongoing

Comment
Yum! Brands is committed to first reducing, and then mindfully reusing or recycling, the waste generated at our restaurants. We have set an aspirational system goal to divert 50% of the back-of-house operational waste generated by weight in our U.S. restaurants by 2025. To achieve this goal, we first determined our heaviest sources of waste: spent cooking oil, cardboard and food. Emissions reduction calculated used EPA Waste Reduction Model (WARM) spreadsheet. Cost and savings not calculated.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	For both holistic green buildings and individual energy efficiency measures, financial calculations are completed to determine the financial payback and confirm that the initiative has an acceptable ROI. One example comes from the development building standard, Blueline. During this process the sub-metering of both green and non-green restaurants, in nearby locations, allowed for detailed utility consumption measurements. These measurements were normalized for factors including sales levels when appropriate so that financial calculations could be done. This process was repeated in countries such as the U.S., Australia, China, France and the U.K. The results of this work assists in driving investment in emission reduction activities.
Internal incentives/recognition programs	At Yum! our values challenge and inspire us to elevate our brands, our culture, our performance and our impact with customers and in the communities, that we serve. Providing recognition to those who lead with heart and courage to drive results is a valued part of what it means to be part of the Yum! family. Achievements that drive business results, including those that reduce the Company's environmental impacts, are recognized by non-monetary recognition awards. Recognition is an integral part of the Yum! Brands culture and everyone across the Company is encouraged to celebrate the achievements of others. All leaders in the Company have unique personal recognition awards. Awards that have been given for progress in achieving sustainability targets include our “Positive Spark” award which has been presented to employees for their contributions toward our sustainability targets. For example, associates in China and France have received the "Positive Spark" award for sustainability initiatives such as LEED restaurant development. We also have given our “Green Apple” award for contributions toward sustainability education within the company. Individuals in the U.K., China, Australia and the U.S. have received this recognition. In addition, project that have demonstrated commitment and achievement receive our Blueline award in recognition to their dedication to our green building initiative.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	Scope 2 emissions from electricity for restaurants and offices located within the United States are calculated based on US EPA eGRID factors. Historically, calculations were completed at a country level using factors from the International Energy Agency.

C5.1c

(C5.1c) Have your organization’s base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	Our policy is to restate our base year if any changes in restaurant count results in changes base year emissions by more than 10%. For any acquisitions, base year data for the acquired location is added to the total base year data using actual data, if available, or estimated data based on the estimation methodology. For any divestitures, the base year data for the divested location is subtracted from total base year emissions. In accordance with our policy, the acquisition of Habit Burger Grill, which has a material impact on Scope 1 and 2 emissions for the base year, has triggered a recalculation of the 2019 emissions but not a change in methodology. The calculated results will undergo the assurance process in the future and subject to adjustment.

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
36493.09

Comment
Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted & fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We have now completed a TCFD report and have set approved science-based targets. In addition, we have committed to the aspiration target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5% Commitment. As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 2 (location-based)

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
152713.13

Comment
Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted & fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We have now completed a TCFD report and have set approved science-based targets. In addition, we have committed to the aspiration target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5% Commitment. As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 2 (market-based)

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
161675.95

Comment
Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted & fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We have now completed a TCFD report and have set approved science-based targets. In addition, we have committed to the aspiration target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5% Commitment. As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
24054243

Comment
As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
983114

Comment
As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
720568

Comment
As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 6: Business travel

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
7922

Comment
As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
395987

Comment
As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
6630

Comment
As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
8235972

Comment
As part of our science-based target we have reset our baseline to 2019. This baseline has been restated as a result of the Habit Burger Grill acquisition. The restated baseline emissions have not been audited at this time of disclosure and are subject to future adjustments as we work to verify our data.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
US EPA Mandatory Greenhouse Gas Reporting Rule
US EPA Emissions & Generation Resource Integrated Database (eGRID)
Other, please specify ((International Energy Agency (IEA 2018) (Published 2020) and RE-DISS - European Residual Mixes (Published 2020))

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
39012.56

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
Utilized residual mix emission factors for markets in Europe as well as eGRID factors for the United States.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
117621.18

Scope 2, market-based (if applicable)
112665.22

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
26605773.46

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
57

Please explain
In 2021, we estimated GHG emissions for purchased goods and services based on direct data from select global markets. Extensive global data was available for plastic, services wares, cooking oil and fiber packaging. Although more data was available for food purchased in the reporting year, extensive extrapolation was required. Extrapolation in all areas are done by calculating a per restaurant average, by brand and if possible, by region and/or country and applied global store count for company owned and franchise restaurants.

Capital goods

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
78504.35

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Based on capital expenditures in 2021 for construction and equipment the emissions from capital goods are approximate 0.2% of overall scope 3 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Energy related activities are included in Scope 1 and 2.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
218554.47

Emissions calculation methodology
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
29

Please explain
In 2021 we estimated upstream transportation by including transportation from the manufacturer to distribution warehouses, when transportation provided by the distributor, as well as transportation from the warehouses to the restaurants. Due to data availability, Australia, India, Russia, South Africa, Thailand, and U.S. data has served as the basis of the estimate with select inputs from other equity markets. A per restaurant average, by brand, was calculated based on fuel per store and applied to our global store count for company owned and franchise restaurants. All calculations were completed utilizing emission factors presented in UK Government GHG Conversion Factors for Company Reporting, 2021.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
774515.56

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
48

Please explain
In 2021, we estimated waste generated in operations. Due to data availability, U.S., U.K., Australia, France, Russia, India, France, Japan, Canada, Mexico, and Thailand, Taiwan data has served as the basis of the estimate. A per restaurant average, by brand, was calculated based on waste generated per store in our sample and applied to our global store count for company owned and franchise restaurants. Please note that this value represents operational waste disposed, operational waste recycled, food donated, and products and not packaging removed by customers. GHG emissions have been estimated using the EPA's WARM tool using the best available categories.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
2422.6

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
All calculations were completed utilizing emission factors presented in EPA Federal Register; Revisions to the Greenhouse Gas Reporting Rule, 2013 and DEFRA UK Government Greenhouse gas reporting conversion factors 2021.

Employee commuting

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
20400

Emissions calculation methodology
Other, please specify (Average Employee method)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Based on the number of employees in 2021, emissions are estimated to be less than 0.1% of overall scope 3 emissions.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions from leased assets for offices, warehouses and other uses are reflected in our scope 1 and 2 values.

Downstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
544413.78

Emissions calculation methodology
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
13

Please explain
In 2021, we estimated downstream transportation, otherwise known as delivery from the restaurant to consumers. Due to data availability, 2020 primary market data within the U.S. served as the basis of the estimate for Pizza Hut deliveries. A per restaurant average for Pizza Hut was calculated based on distance traveled and applied to our global store count for company owned and franchise restaurants. For food aggregators, either the total distance traveled or the number of deliveries and the average distance traveled per delivery is reported. All calculations were completed utilizing emission factors presented in UK Government GHG Conversion Factors for Company Reporting, 2021.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
All the products sold by our restaurants are consumed immediately without any further processing.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
All the products sold by our restaurants are consumed immediately.

End of life treatment of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
2456.5

Emissions calculation methodology
Average data method
Spend-based method
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
63

Please explain
Total represents 2021emissions resulting from the end-of-life treatment of packaging. A per restaurant average, by brand, was calculated based on waste generated per store in our sample and applied to our global store count for company owned and franchise restaurants. GHG emissions have been estimated using the EPA's WARM tool using the best available categories.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Yum! Brands does not lease any material downstream assets.

Franchises

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
6887461.16

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
34

Please explain
We have estimated franchise restaurant GHG emissions for all countries. These estimates were calculated on a per restaurant average for energy use and GHG emissions according to data provided from our global survey. The survey included equity restaurants and a sampling of franchise units and included emissions data for electricity, fuels, heating/cooling, HFC, and distribution. 34% of data is obtained from value chain partners.

Investments

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

Other (upstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

Other (downstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.000023

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
151677.78

Metric denominator
unit total revenue

Metric denominator: Unit total
6580000000

Scope 2 figure used
Market-based

% change from previous year
30.2

Direction of change
Decreased

Reason for change
The decrease in the emissions figure, reflective of gross emissions, is largely (but not solely) attributed to PPAs and RECs purchased for U.S. and energy efficiency improvements within restaurants. In addition, total revenue increased from 2020 to 2021 from $5.65B to $6.58B.

Intensity figure
134

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
151677.78

Metric denominator
Other, please specify (Per equity Location)

Metric denominator: Unit total
1130

Scope 2 figure used
Market-based

% change from previous year
9

Direction of change
Decreased

Reason for change
The decrease, reflective of gross emissions, is likely related to ongoing energy conservation measures and renewable energy purchases (RECs/PPAs) within U.S. office locations.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	34105.43	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	17.52	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	18.05	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	4871.56	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	894.2
Canada	156.23
France	186.94
Germany	118.66
India	841.88
Italy	50.26
Netherlands	63.72
Russian Federation	682.61
Singapore	104.05
South Africa	1267.34
Spain	112.74
Thailand	4.78
United Arab Emirates	123.84
United Kingdom of Great Britain and Northern Ireland	2424.2
United States of America	31866.2
Viet Nam	114.91

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
KFC	5684.04
Pizza Hut	1301.28
Taco Bell	13400.35
Habit Burger	13200.81
Corporate	5426.08

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Australia	14317.04	14317.04
Canada	79.85	79.85
France	5.5	5.98
Germany	36.68	62.37
India	4336.28	4336.28
Italy	22.36	35.84
Netherlands	81.22	99.33
Russian Federation	8227.89	8227.89
Singapore	95.12	95.12
South Africa	13544.24	13544.24
Spain	20.42	29.37
Thailand	36.27	36.27
United Arab Emirates	117.89	117.89
United Kingdom of Great Britain and Northern Ireland	5239.19	7868.75
United States of America	71377.62	63725.39
Viet Nam	83.61	83.61

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.
By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
KFC	47884	50298.39
Pizza Hut	1723.81	1926.25
Taco Bell	49089.08	49262.38
Habit Burger	7703.03	7773.85
Corporate	11221.26	3404.35

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	9033	Decreased	5.3	Renewable energy was purchased through EACS and a PPA for our US corporate buildings. The reduction was calculated by calculating the emissions as if this energy was received from the grid using US EPA eGRID factors, providing an annualized reduction of 8,871 MT CO2e. In addition, a total of 11 KFC restaurants commissioned on-site solar installations with an estimated emission reduction of 162 MT CO2e. The denominator for calculating the emissions value percentage was the total 2020 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions reduction attributed to renewable energy consumption as follows: (9,033 / 169,860.59) *100% = 5.3%.
Other emissions reduction activities	2130	Decreased	1.3	Other emissions reduction activities for new and existing equity locations provided an annualized reduction of 2,130 MT CO2e in 2021. Our gross total Scope 1 and 2 emissions were 169,860.39 MT CO2e in 2020, Per CDP Guidance, we calculated the emissions reduction attributed to other emissions reduction activities as follows: (2,130 / 169,860.59) *100% = 1.3%.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	4011	Decreased	2.4	As part of improved alignment with The Greenhouse Gas Protocol, scope 2 emissions within the United States are now calculated using US EPA eGRID factors to improve the granularity in reporting. The estimated emission reduction due to the change in methodology is 4,011. The denominator for calculating the emissions value percentage was the total 2020 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions reduction attributed to change in methodology as follows: (4,011 / 169,860.59) *100% = 2.4%. Note that the change in methodology did not trigger the 10% threshold for restating 2020 emissions.
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other	3009	Decreased	1.8	As part of improved reporting across corporate offices, there was an observed reduction in emissions from corporate offices. The estimated emission reduction is 3,009. The denominator for calculating the emissions value percentage was the total 2020 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions reduction attributed to change in methodology as follows: (3,009 / 169,860.59) *100% = 1.8%.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	171820	171820
Consumption of purchased or acquired electricity	<Not Applicable>	21242	253542	274784
Consumption of purchased or acquired heat	<Not Applicable>	0	146	146
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	521	<Not Applicable>	521
Total energy consumption	<Not Applicable>	21763	425508	447271

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
1018

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Diesel represents 259 MT CO2e of emissions.

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
170802

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Natural Gas and LPG Represent 30,799.21 MT CO2e of emissions.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
171820

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	521	521	521	521
Heat	171820	171820	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method
Unbundled energy attribute certificates (EACs) purchase

Energy carrier
Electricity

Low-carbon technology type
Wind

Country/area of low-carbon energy consumption
United States of America

Tracking instrument used
US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
13621

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2012

Comment
We procured renewable electricity to power our U.S. corporate offices using RECs with the exception of our Plano, Texas office.

Sourcing method
Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier
Electricity

Low-carbon technology type
Wind

Country/area of low-carbon energy consumption
United States of America

Tracking instrument used
Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
7621

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2012

Comment
We procured renewable electricity to power our U.S. corporate offices in Plano, Texas office though a PPA

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area
Australia

Consumption of electricity (MWh)
21337

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
21337

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Canada

Consumption of electricity (MWh)
615

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
615

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
France

Consumption of electricity (MWh)
102

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
102

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Germany

Consumption of electricity (MWh)
106

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
106

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
India

Consumption of electricity (MWh)
5972

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
5972

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Italy

Consumption of electricity (MWh)
78

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
78

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Netherlands

Consumption of electricity (MWh)
220

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
220

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Russian Federation

Consumption of electricity (MWh)
21906

Consumption of heat, steam, and cooling (MWh)
146

Total non-fuel energy consumption (MWh) [Auto-calculated]
22052

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Singapore

Consumption of electricity (MWh)
246

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
246

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
South Africa

Consumption of electricity (MWh)
14461

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
14461

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Spain

Consumption of electricity (MWh)
103

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
103

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Thailand

Consumption of electricity (MWh)
78

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
78

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
United Arab Emirates

Consumption of electricity (MWh)
233

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
233

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)
24901

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
24901

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
United States of America

Consumption of electricity (MWh)
184819

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
184819

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Viet Nam

Consumption of electricity (MWh)
128

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
128

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021 KPMG Report and Yum! Statement of Emissions and Water Withdrawal.pdf

Page/ section reference
Entire document

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021 KPMG Report and Yum! Statement of Emissions and Water Withdrawal.pdf

Page/ section reference
Entire Document

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021 KPMG Report and Yum! Statement of Emissions and Water Withdrawal.pdf

Page/ section reference
Entire document

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services
Scope 3: Upstream transportation and distribution
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Downstream transportation and distribution
Scope 3: End-of-life treatment of sold products
Scope 3: Franchises

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2021 KPMG Report and Yum! Statement of Emissions and Water Withdrawal.pdf

Page/section reference
Entire document

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The Yum! Government Affairs team actively monitors developing climate regulations. Any developments are brought to the attention of the Yum! and brand sustainability teams. At warranted, pending developments are reviewed and if deemed necessary included in our corporate risk analysis process. As done with other risks they are evaluated by the Yum! Risk Committee and elevated as necessary to the Audit Committee. For regulations already enacted, our market financial, tax and legal team work to promote our compliance with all laws.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect climate change and carbon information at least annually from suppliers

% of suppliers by number
28

% total procurement spend (direct and indirect)
54

% of supplier-related Scope 3 emissions as reported in C6.5
74

Rationale for the coverage of your engagement
Our Global Supplier Code of Conduct requires suppliers to promote compliance with Yum's sustainability policies and positions in our Global Citizenship and Sustainability Report. Suppliers are also expected to develop appropriate environmental management systems that recognize the environmental impacts of their specific business processes and monitor and report performance against improvement targets. Suppliers are expected to be leaders in meeting or exceeding environmental standards and demonstrating year-over-year progress towards reducing the relative environmental footprint of their operations. We engage with suppliers where we feel that we have the most potential to have impact. Our engagement, through our annual sustainability survey is to drive progress. Palm oil and timber are two key supplier groups for Yum! that have the potential to impact deforestation and impact climate change. Therefore, we have prioritized these suppliers. We have long standing and clear policies and goals associated for each of these areas and have a clear definition of success. Success is defined by meeting our goals. We believe that working with our peers, suppliers, NGOs, and other internal and external stakeholders is essential to achieving our goal. That's why we give preference to suppliers who are certified by the Roundtable on Sustainable Palm Oil (RSPO) field. Yum! Brands will not knowingly buy paper-based packaging products that were made with fiber that comes from illegal or the following unwanted sources: a. Wood harvested from forests that have been converted to plantations or non-forest use b. Wood from high conservation value forests, unless those forests are credibly certified c. Wood where the source forest and species are unknown d. Wood harvested in a manner that violates human rights e. Wood harvested that violates local or international laws

Impact of engagement, including measures of success
We are engaging with markets and suppliers on compliance with our policy to transition to sustainable palm oil and paper-based packaging. This policy contributes to reducing our environmental impact from undesirable palm in agricultural processes that have a negative impact on climate change. We conduct an annual survey of suppliers to measure progress, identify issue and create corrective actions. Results are reported in CDP-Forests. As a result of this process we have removed suppliers from our value chain and encouraged others to act more sustainability. Increasing procurement of certified fiber sources as well as recycled content is one of our climate change strategies. Success of this engagement is measured via our annual surveys which inform our progress against our fiber and palm oil goals. This is a very measurable outcome driven effort.

Comment
Scope 3 emissions are estimated for corporate restaurants only. It is an approximation and subject to refinement as methods of estimation improve.

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number
25

% total procurement spend (direct and indirect)
40

% of supplier-related Scope 3 emissions as reported in C6.5
68

Rationale for the coverage of your engagement
Our key food products of chicken, beef, and dairy are the highest emitters of GHG in our supply chain and constitute about 68% of supply chain emissions. This has set our supplier engagement focus.

Impact of engagement, including measures of success
Reducing agricultural supply chain emissions is challenging as many fundamental industry discussions are ongoing. It requires us to work closely with our suppliers. Our plan to address this currently includes education on the fundamentals of emissions reductions and test pilots to help industries develop programs to experiment and learn. In regard to education, in 2021, we joined the Supplier Leadership on Climate Transition (Supplier LoCT), a consortium of multinational companies created to accelerate action throughout the supply chain in the march toward net-zero GHG emissions. The program helps suppliers build climate knowledge, calculate emissions, set their own SBTs and share climate roadmaps and playbooks. We are planning to roll out Supplier LoCT more broadly around the world in the future. Pizza Hut is partnering with the Dairy Farmers of America (DFA) on technology that helps farmers feed their cows more efficiently, leading to a natural reduction in methane emissions and a reduction in waste and GHGs. Together these approaches will help suppliers set their own science-based targets and help industries move forward in their emission reduction efforts. Last, but importantly we understand that raising animals for food can also contribute to climate change in areas where deforestation occurs. Through close collaboration with our direct and indirect suppliers on traceability, we estimate that 99% of our beef supply was sourced from regions of lower risk of tropical deforestation in 2021. Soy, which is a primary ingredient in our chicken feed, has a more complex supply chain, involving soybean farmers, processors, feed mills, poultry suppliers and finally Yum! restaurants. While our business is at least five steps removed from the soybean field, we continue to work across our supply chain to achieve greater levels of visibility and accountability. Yum! worked with FAI Farms in 2021 to understand and address sourcing soy from areas with high risk for deforestation. In early 2022, we expanded our data collection to account for global soy usage in our supply chain.

Comment
Percentages represent estimated number of protein suppliers and farm locations estimated to participate. However, this number is directional and will change as the program develops

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C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

In addition to engaging with our suppliers on climate-related issues, Yum! Brands also engages with other stakeholders in the value chain, such as customers, shareholders and NGOs. Shareholder engagement occurs during the annual Proxy Vote as proposals are received and also occurs on an as-needed basis as groups bring relevant areas of interest to our attention. Our engagement strategy typically includes a comprehensive review of shareholder and NGO positions, often completed through conversations and written correspondence.

For example, in November 2018 Yum! Brands received a shareholder proposal from The Sisters of Charity of the Blessed Virgin Mary, with a request for Yum! Brands to issue a report on climate change mitigation strategies, assessing the feasibility of adopting quantitative, company-wide goals for increasing Yum! Brands' use of renewable energy and any other measures to substantially reduce the company's greenhouse gas emissions. We reviewed, discussed and explored the proposal with the shareholder and associated groups. We now have approved science-based targets. As part of this we are undertaking a program to inform suppliers about science-based targets and how to establish baselines. As part of this our ongoing journey, we keep shareholders informed through reporting to CDP as well as our own Citizenship and Sustainability report. Both public reports, which we post online, contain a summary of goals and progress. Our work also extends to NGO partners who are active in the climate change space. For example, we worked with WWF on a Brazil landscape analysis. We worked with FAI Farms in 2021 to understand and address sourcing soy from areas with high risk for deforestation.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Yum! Brands Announces Approved Science-Based Targets to Address Climate Change.pdf
Yum! Brands Business Ambition for 1.5C Commitment Letter.pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Our sustainability governance structure helps to assure that any activities which may influence policy (direct or indirect) are consistent with our overall environmental sustainability strategy. The Yum! Brands Government Affairs and Global Sustainability teams are closely linked and managed by our Chief Sustainability Officer and Vice President of Global Government Affairs and Sustainability. In addition, our Yum! Communications team manages communications to coordinate consistent communications regarding ESG issues such as climate change. All three groups are part of our broader ESG Council that involves representatives of our brands. This group works on collective strategy and KPI execution and is responsible for communications up and down their portion of the business, regardless of geographic location, so that sustainability discussions and decisions can be communicated across the organization. Our strategy is influenced by our belief that we have a responsibility to reduce our environmental impact and the resulting greenhouse gas emissions that contribute to climate change, and we recognize that direct engagement with policy makers has the potential to drive changes in legislation that will support our efforts along this journey.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate
Other, please specify (Sustainable finance)

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Enact legislation to support the creation of a direct pay option for the production tax credit (PTC)/investment tax credit (ITC) value to address liquidity and tax equity availability issues for those same projects. In addition, it included request that Congress delay the PTC and ITC phasedowns to account for COVID-19 related economic and workforce impacts.

Policy, law, or regulation geographic coverage
National

Country/region the policy, law, or regulation applies to
United States of America

Your organization's position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Petitioning Congress with other large corporate consumers of energy

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate
Other, please specify (Food donation, Energy Efficiency, and GHG Reduction)

Specify the policy, law, or regulation on which your organization is engaging with policy makers
In 2015, legislation providing a permanent food donation tax deduction was passed at the federal level and similar legislation has been proposed in Kentucky, Massachusetts, Minnesota, New Jersey, New York, Ohio and Pennsylvania. The enactment of a restaurant charitable food donation tax credit helps address food insecurity, assists in moving towards a more sustainable environment and streamlines small business restaurant operations. Yum! Brands is also seeking ways to expand the Harvest program overseas. For example, in 2017 our Government Affairs team, in conjunction with our global consultants and trade association partners, undertook education efforts in Italy to raise awareness for the Harvest program. The efforts highlighted both the economic and environmental opportunities the program provides and potential legislative changes required for wide-scale implementation. Our hope is to broaden the work out across the EU in upcoming years.

Policy, law, or regulation geographic coverage
Global

Country/region the policy, law, or regulation applies to
<Not Applicable>

Your organization's position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Our food donation program, Harvest, is focused on donating wholesome, surplus food from our restaurants to local food agencies, which diverts food waste from our restaurants and landfills. To encourage food donation programs like Harvest, we engage with policy makers at the local, state and federal level, in addition to trade associations and other industry partners to enact policy that not only addresses food insecurity, but also supports a sustainable environment.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (U.S. Green Building Council)

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
The USGBC is committed to the development of green buildings with one of the goals being to combat global climate change. The promotion of the LEED rating system helps to mitigate the contribution of buildings to climate change by promoting reductions through building operations energy use, transportation energy use, embodied energy and materials, water use, use of clean energy supplies, and promoting non-energy related drivers such as reforestation and refrigerant purchases.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
5600

Describe the aim of your organization's funding
Membership in the organization

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (National Restaurant Association (NRA))

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
The NRA is committed to educating their members about environmental sustainability in the restaurant business and including how to minimize food waste. That's why they have taken a leadership role, in partnership with the Food Waste Reduction Alliance, Grocery Manufacturers Association and the Food Marketing Institute, to reduce food waste in our industry. One of the main objectives of the group is to recycle unused food waste by diverting it from landfills.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
100000

Describe the aim of your organization's funding
Membership in the organization

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Roundtable for Sustainable Palm Oil (RSPO))

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
The Roundtable for Sustainable Palm Oil pursues the use of sustainable palm oil products across the globe. They maintain environmental and social criteria which companies must comply to produce sustainable palm oil. RSPO looks to prevent tropical rainforest deforestation and peatland conversion which are contributors to global climate change.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
2300

Describe the aim of your organization's funding
Membership in the organization

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Clean Energy Buyers Association (CEBA))

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
The Clean Energy Buyers Association (CEBA) is a membership association in the United States for energy customers seeking to procure clean energy. The aspiration is to achieve a 90% carbon-free U.S. electricity system by 2030.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
15000

Describe the aim of your organization's funding
Membership in the organization

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
Yum! Brands 2021 Annual Report.pdf

Page/Section reference
2021 Annual Report Item 1A Risk Factors

Content elements
Governance
Strategy
Risks & opportunities

Comment
Yum! Brands takes our role as a global citizen and our impact on society and the environment seriously. In addition to our CDP disclosures, we report in mainstream reports such as our Annual Report. Our 2021 Annual Report included the risks from Climate change.

Publication
In voluntary sustainability report

Status
Complete

Attach the document
Yum! Brands 2021 Global Citizenship and Sustainability Report.pdf

Page/Section reference
Planet and Citizenship Sections

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
Yum! Brands takes our role as a global citizen and our impact on society and the environment seriously. In addition to our CDP disclosures, we report our progress and performance in voluntary communications such as our biennial Global Citizenship & Sustainability Report.

Publication
In voluntary communications

Status
Complete

Attach the document
Yum! Brands Announces Approved Science-Based Targets to Address Climate Change.pdf

Page/Section reference
Entire Article

Content elements
Strategy

Comment
We announced our approved science-based target to reduce greenhouse gas emissions from our operations, franchises and supply chain. We also announced our intent to switch our first 1,000 restaurants to renewable energy in 2021.

Publication
In voluntary communications

Status
Complete

Attach the document
Taco Bell Announces New Packaging Commitments.pdf

Page/Section reference
Entire Article

Content elements
Strategy

Comment
Taco Bell announced that it will make all consumer-facing packaging recyclable, compostable or reusable by 2025 as well as add recycling/composing bins in restaurants, where infrastructure permits, by the same year.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	Yum! Brands is committed to eliminating deforestation in our global supply chains. Our commitments to deforestation have grown over time and are focused around four primary supply chains: Palm, Paper, Beef and Soy. Achieving success in eliminating deforestation will require us to work with our suppliers on the critical components outlined in this policy • No development on High Conservation Value (HCV) landscape or High Carbon Stock (HCS) forests. • No development on peatlands, regardless of depth, and use of best management practices for existing plantations on peat. • Compliance with country laws and regulations and our Yum! Brands Supplier Code of Conduct. • Prevention and resolution of social and/or land conflicts consistent with the principle of free prior and informed consent. • The New York Declaration on Forests (NYDF) serves as a central component of our forest policy and sets goals across several important areas including deforestation and sustainable development, as well as indigenous peoples and local communities. The NYDF establishes commitments to end natural forest loss by 2030 and eliminating deforestation from the supply chains of major agriculture commodities by 2020. Other key elements of our efforts to address deforestation are outlined in our: • Supplier Code of Conduct • Human Rights and Key Supply Chain Commitments • Human Rights and Labor Policy • Paper-based Packaging Sourcing Policy • Palm Oil Policy	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to No Net Loss Commitment to no conversion of High Conservation Value areas Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples	Other, please specify (New York Declaration on Forests)

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Other, please specify (Responsible Palm Oil)	Yum! Brands Paper-based Packaging Sourcing Policy, page 1 Yum! Brands Palm Oil Policy, page 1 Yum! Brands Palm Oil Policy.pdf Yum! Brands Paper-based Packaging Sourcing Policy.pdf
Other, please specify (RSPO ACOP)	Other, please specify (Responsible Palm Oil)	RSPO Principles and Criteria, page 13, 52-64 RSPO Principles and Criteria.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

This report may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend all forward-looking statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the fact that they do not relate strictly to historical or current facts and by the use of forward-looking words such as "expect," "expectation," "believe," "anticipate," "may," "could," "intend," "belief," "plan," "estimate," "target," "predict," "likely," "seek," "project," "model," "ongoing," "will," "should," "forecast," "outlook," "new store opening goals" or similar terminology. These statements are based on and reflect our current expectations, estimates, assumptions and/or projections, our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. Forward-looking statements are neither predictions nor guarantees of future events, circumstances or performance and are inherently subject to known and unknown risks, uncertainties and assumptions that could cause our actual results to differ materially from those indicated by those statements. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance or capital structure of Yum! Brands, will prove to be correct or that any of our expectations, estimates or projections will be achieved. The forward-looking statements included in this report are only made as of the date of this report, and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below
I have read and accept the applicable Terms