YUM! BRANDS GLOBAL ANIMAL WELFARE POLICY

PRINCIPLES AND OVERVIEW

As outlined the Yum! Brands Sustainable Protein Principles, we view animal welfare in a holistic manner and as a key element in providing food to our consumers.

We remain committed to continuous improvement in animal welfare from the farm and through all aspects of our supply chain, including raising, handling, transportation and processing.

Legal compliance makes up a key component of our policy and we require suppliers to meet all local laws, regulations and supplier codes globally.

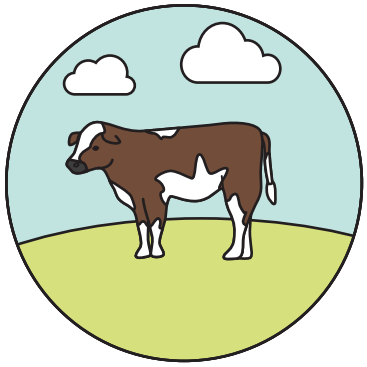
We support improvements in animal welfare that are evidence-based and supported by science and research. We will continue to rely heavily on our Animal Welfare Advisory Council, and value external experts and partners as critical to our learning and improvement.

As we seek continuous improvements, we remain committed to the Five Freedoms in guiding our overall approach to animal welfare through the supply chain.

1. **Freedom from hunger or thirst** by ready access to fresh water and a diet to maintain full health and vigor.
2. **Freedom from discomfort** by providing an appropriate environment including shelter and a comfortable resting area.
3. **Freedom from pain, injury or disease** by prevention or rapid diagnosis and treatment.
4. **Freedom to express normal behavior** by providing sufficient space, proper facilities and company of the animal's own kind.
5. **Freedom from fear and distress** by ensuring conditions and treatment which avoid mental stress.

SCOPE, KEY AREAS AND APPROACH

As a global company operating across many cultures, we seek to set a Yum! Brands policy that recognizes that some geographies are better positioned to move more quickly and aggressively than others. We will learn from those leading regions and share advancements in animal welfare improvements throughout our global system, seeking to raise and improve the animal care standards globally as regions allow. Across our global footprint we rely on poultry, beef and pork as key animal protein ingredients.



BROILER POULTRY WELFARE

To address the growing concern about the ethical sourcing of food, we established a welfare program. All elements and any improvements or changes to our poultry program are based on scientific research.

The scope of the program covers seven parts of the poultry production cycle, and is designed for global use. The basis of the program is to share best practice and drive improvement as part of a Farm Improvement Plan. Progressive compliance helps to drive improvements forward.

We continue to seek new ideas and practices that we can share globally to improve our farming systems.

Key Requirements

Housing

- We are committed to ensuring that poultry are grown in large barns with well-maintained dry litter. Stocking densities will be reviewed by region with the goal of enabling healthy growth and mobility.
- All birds have access to periods of light, dark, suitable ventilation, a nutritionally balanced diet and unrestricted clean water.

Environmental Enrichment

- We encourage all suppliers to adopt natural lighting and environmental enrichment. We also work with suppliers to increase the percentage of farms with windows and environmental enrichment such as perches, straw bales and pecking materials.
- Information on the impact of environmental enrichments for poultry tested in regulated markets will be shared with other markets globally.

Stress Reduction and Avoidance of Painful Procedures

- We seek to reduce the utilization of painful procedures, following best practices and research. This includes efforts to minimize and eliminate beak trimming and adopting the latest technology on humane slaughter.

Antibiotic use

- Full details of our antibiotic policy are available as a part of our Good Antimicrobial Stewardship Policy.
- This policy is anchored on:
  - › Reducing the need for antibiotics through improved animal husbandry
  - › Responsible, judicious use of antimicrobials in line with global health officials
  - › Continued surveillance and monitoring of antimicrobial usage

Transportation

- We are committed to minimizing journey times, and work with suppliers to ensure that they are kept to a minimum and below the legal requirements.

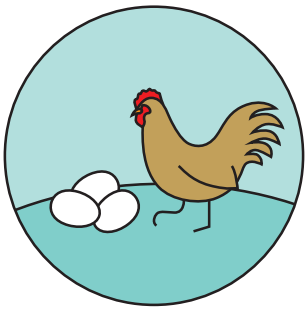
Harvesting

- We believe that whatever method of stunning is used, the system must be humanely carried out: birds must be harvested without any unnecessary pain or distress, and suppliers must ensure that all processing facilities follow regulations and best practices around pain and stress during handling, pre-stunning, stunning and harvesting.

Breed Selection

- Key criteria in selecting a suitable breed include leg strength, health & welfare.
- Commercially bred breeds are sourced that are suited to the local environment, housing and management.

Laying Hens



- We strive for continuous improvement in our animal welfare standards and the way we source food across markets and that includes our work on the important issue of cage-free eggs.
- Yum! Brands pledges to transition to 100% cage-free eggs across at least 25,000 restaurants by 2026, including the U.S., Western Europe and other markets, across all brands for all menu items and ingredients. In the U.S., we aim to ensure at least 25% of our eggs come from cage-free hens by the start of 2023, 50% by the start of 2024, 75% by the start of 2025 and 100% by 2026.
- A number of markets have already transitioned to 100% cage-free eggs including our KFC Western Europe, Taco Bell U.S. and Canada markets.
- Globally, we will work with our suppliers and key partners to increase the availability of cage-free egg sources to transition to 100% cage-free by 2030. In some regions, cage-free supply is currently limited and there is not yet a clear path for the availability of sourcing. Regardless, we are committed to working with our stakeholders to meet this end and will both disclose our progress and update our policy as we move forward so that we may remain transparent regarding both the challenges we face and progress we are able to make.
- We will continue to collect data and work with suppliers and industry partners to make progress across the global egg supply chain and share progress updates as a part of our annual Recipe for Good report.

Reporting

As part of our policy, we developed a global tracking tool in 2020 and have collected data to help measure progress.

We will seek to target key welfare areas as much as possible to drive leadership and advancements in collaboration with our suppliers. These key areas include:

- reduced mortality rates
- improved animal health to minimize medicines required, especially antibiotics
- animal mobility and leg health issues in poultry
- reduction of stress, improved behaviors and minimization of painful procedures

We will work with our suppliers to help ensure continuous improvement and reinforce that animal welfare remains a critical component of the supplier selection process.