

PEOPLE 2021 Performance Summary



Goal

Status

	Goal	Status
Culture & Talent	Create a culture of engagement that attracts, retains and grows the best people and creates high performance in our restaurants	<p>Measure our employee engagement.</p> <p>In 2021, Yum! conducted our bi-annual employee engagement survey with all corporate employees that revealed an engagement level of 88%, well above industry benchmarks.</p>
	Provide system employees with training and development that builds world-class leaders and business results.	<p>Above-restaurant employees participated in almost 14,000 training instances in 2021 including Leading with Heart, our leadership development program, and Inclusive Leadership, our unconscious bias program, as well as our compliance policies. At the restaurant level, nearly 6 million hours of operational training were completed.</p>
Equity, Inclusion & Belonging	Continue building upon ongoing inclusion efforts to help create workplace environments where all people can be successful.	<ul style="list-style-type: none"> We continued expanding Employee Resource Groups across corporate campuses globally and hosted regular webcasts to facilitate dialogue and awareness on how to build an inclusive culture. In 2021, Yum! conducted an equity, inclusion and belonging assessment for above-restaurant leaders across all brands in the U.S.
	Build an inclusive culture among our employees, franchisees, suppliers and partners to reflect the diversity of our customers and communities	<p>Significantly increase the number of women in senior leadership globally and achieve gender parity in leadership globally by 2030 in alignment with Paradigm for Parity®.</p> <p>In 2021, 42% of global corporate leadership roles were held by women, and about 51% of our global workforce was comprised of women.</p> 
	Significantly increase diverse representation of people of color in the U.S. among corporate employees.	 <ul style="list-style-type: none"> In 2021, we continued our partnership with CEO Action for Diversity & Inclusion and the Hispanic Promise. In 2021, we joined the OneTen coalition, a group of U.S. businesses leading a bold initiative to create career mobility and advancement opportunities for 1 million Black individuals in the U.S. over the next 10 years.
	Continue rolling out Inclusive Leadership training across our system including company-owned and franchise restaurants.	<ul style="list-style-type: none"> Continued expanding our Inclusive Leadership training to employees and franchisees around the world, part of our broader companywide training program efforts where nearly 14,000 above-restaurant employees participated holistically in 2021. Started to develop an online module of the program to help provide more access to the curriculum.
Social Purpose & Community Impact	Advance our social purpose to fight inequality globally, support initiatives related to hunger relief, literacy and youth education, act as a strong community partner in our hometown headquarters and support employees and restaurant workers during times of disaster	<p>Donate food, funds, time and talent to help local and global communities.</p> <ul style="list-style-type: none"> Our global organization donated \$58 million in 2021, supporting brand efforts such as KFC Foundation charitable assistance programs, Pizza Hut's BOOK IT! Program and the Taco Bell Foundation's Live Más Scholarship and Community Grants program. We also donated 4.3 million pounds of food through our Harvest program in 2021.
	Fight inequality through our Unlocking Opportunities Initiative (UOI) by investing \$100 million over five years for employees and communities around the world.	<ul style="list-style-type: none"> Approved over \$50 million in funding to almost 30 social impact programs across nine countries through our Unlocking Opportunity Initiative to fight inequality inside and outside Yum! through entrepreneurship, education and equity and inclusion.
Ethics & Human Rights	Hold our employees, franchisees and suppliers to the highest standards of professional and ethical conduct	<p>Remain committed to our Global Code of Conduct and Supplier Code of Conduct, which addresses guidelines for working conditions consistent with frameworks such as those of the International Labour Organization and the United Nations Guiding Principles on Human Rights.</p> <ul style="list-style-type: none"> Published updated version of Yum!'s Human Rights & Supply Chain policy. Through Yum!'s membership with Sedex, a leading ethical trade membership organization that works with businesses to improve working conditions in global supply chains, 6,000 core category supplier sites were pre-screened for indicators of inherent responsible sourcing risk. Developing strategic implementation plan to drive adoption of responsible sourcing assessment processes and supplier engagement tools. Over 18,000 corporate employees received training on the Global Code of Conduct.

FOOD 2021 Performance Summary



	Goal	Status
Food Safety	Maintain the safest, highest-quality food supply and preparation in the industry	Through food safety audits, we provide restaurant team member training on employee health, product handling, ingredient and product management and prevention of cross-contamination.
		Build on Yum! supplier audit track record and assess 100% of Tier 1 suppliers annually by 2021.
Balanced Choices		Offer lower-calorie menu options across main dishes, combos and sides, consistent with Yum!'s global nutrition standards that align with the World Health Organization and the Dietary Guidelines for Americans, to continue to improve our food's nutrition. By 2030, we intend to represent 50% of menu food offerings to be consistent with Yum! global nutrition criteria for meal options.
		Provide consumers with convenient access to food information regarding menu labeling and allergens.
		Offer plant-forward product innovations to meet the lifestyle choices of consumers.
		Continue clean label efforts to remove artificial colors, artificial flavors and partially hydrogenated oils from core food ingredients globally by 2025.
Raised Responsibly	Be a good steward of the animals raised for food throughout our supply chain	Continue engaging with beef, dairy and poultry suppliers to gather robust data on animal welfare and sustainable production systems as well as to educate them on the Five Freedoms and our Sustainable Animal Protein Principles.
		Taco Bell will reduce use of antibiotics important to human medicine in its U.S. and Canada beef supply chain by 25% by 2025, while Pizza Hut U.S. will remove them in chicken used for wings by 2022.
Responsible Marketing	Promote transparency about our food through responsible labeling and advertising practices in our restaurants and beyond	Limit marketing communications to children under 12.

Since 2016, Yum! has conducted more than **578,400** restaurant food safety audits.

In 2021, **80%** of Yum! Tier 1 suppliers required a food safety audit, of which **99%** were audited and achieved on **98%** performance.



Together, the brands reported that they are **64%** on the way to meeting the goal.

Continue publishing online nutrition calculators for the brands' U.S. menus and providing consumers with convenient access to allergen and nutrition information. Details can be accessed here:

[KFC](#), [Pizza Hut](#), [Taco Bell](#), [The Habit Burger Grill](#)

- Taco Bell's vegetarian offerings represent more than **12%** of sales. The brand offers over **30** vegetarian ingredients on its menu which can be combined for nearly **1 million** combinations.
- Increased plant-based protein options including in Pizza Hut's markets globally. Plant-based cheeses have also been introduced in Portugal, Spain and the U.K. at Pizza Hut.
- The Habit Burger Grill launched two new Impossible Burgers.

- Removed **94%** of artificial coloring
- Removed **86%** of artificial flavors
- Removed **95%** of PHOs

- KFC introduced new global chicken key welfare indicators (KWIs) as a critical step on its animal welfare journey.
- Taco Bell continues to source **100%** cage-free eggs for all menu items and ingredients in the U.S. and Canada.

- KFC, Pizza Hut (chicken for its pizzas) and Taco Bell in the U.S. have met public commitments to remove antibiotics important to human medicine from our U.S. poultry supply.
- In 2019, Taco Bell published a Beef Policy and has since made progress with approximately **15%** of its raw beef supply being procured from reduced antibiotic sources.
- Pizza Hut U.S. is working toward removing antibiotics from chicken used for wings and expects to meet its goal by 2022.

We follow U.S. and international guidelines to limit marketing to children.

PLANET 2021 Performance Summary



	Goal	Status
Green Buildings	In line with our approved science-based targets (SBTs), cut GHG emissions generated by: <ul style="list-style-type: none"> Company restaurants and offices (Scope 1 and 2) 46% below 2019 levels by 2030. Franchisee restaurants (Scope 3) 46% below 2019 levels by 2030 on a per-restaurant basis for franchisees. 	<ul style="list-style-type: none"> Our Scope 1 and 2 emissions for buildings have decreased approximately 24%, on an absolute basis, as compared to our baseline year 2019. Franchisee emissions, measured on an intensity basis, have decreased approximately 20%.
	Use renewable electricity to power 1,000 restaurants and our corporate offices in the U.S.	<ul style="list-style-type: none"> Yum!'s offices in the U.S. have been using 100% by renewable electricity since 2020 through the use of Renewable Energy Certificates (RECs) and a power purchase agreement (PPA). In 2022, we moved 1,000 of our restaurants to renewable electricity by purchasing RECs equivalent to the restaurants' estimated energy consumption. We have implemented onsite solar in Australia where 43 company-owned KFC restaurants are partially powered by rooftop photovoltaic systems. Collins Foods, a Yum! franchisee, had seven systems in 2021 and committed to adding over 100 systems over the next year.
	Reduce average restaurant water withdrawals by 10%, from 2017, by the end of 2025.	<ul style="list-style-type: none"> We have currently reached 20% of our goal to reduce water withdrawals on a per-restaurant basis. We completed a water risk assessment using the World Resources Institute's Aqueduct tools to determine areas at highest water risk. For the first time in 2021, we included a portion of our supply chain, assessing risks to our beef, poultry, dairy and fiber suppliers and found that 68% of our supply chain components have low water risk, and 14% are considered moderate risk.
	Divert 50% of back-of-house operational waste, measured by weight, generated in our U.S. restaurants by the end of 2025.	<ul style="list-style-type: none"> In 2021, we estimated that 983,629 tons of waste was removed from our U.S. restaurants, and we diverted an estimated 19% of that material. Taco Bell will add recycling and/or composting bins to restaurants where infrastructure permits.
	Reduce food loss waste by 50% by 2030 in accordance with U.S. Food Loss and Waste 2030 Champions.	<ul style="list-style-type: none"> Yum! and our franchisees donated 4.3 million pounds of food in 2021, with 28 countries participating.
Supply Chain	In line with our approved SBTs, cut GHG emissions generated by suppliers (Scope 3) 46% below 2019 levels by 2030 on per-metric ton basis of beef, poultry, dairy and packaging procured.	<ul style="list-style-type: none"> 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. Currently, 56% of our suppliers of beef, poultry and dairy in the U.S. and Canada already have climate targets in place or are part of the Supplier LoCT program. In the U.S., Pizza Hut is partnering with the Dairy Farmers of America (DFA), and dairy suppliers on a joint dairy project to provide participating farmers with technology and data needed to help reduce GHG emissions.
	Endorsed the New York Declaration on Forests and the private sector goal of eliminating deforestation from the production of agriculture commodities such as palm oil, soy, paper and beef products no later than 2020 and striving to end natural forest loss by 2030. As part of this work, we will purchase 100% of our paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2022.	<ul style="list-style-type: none"> In 2021, an estimated 74% of fiber came from certified forests or recycled sources. Taco Bell has reached 98%. In 2021, 100% of palm oil used for cooking supported the production of sustainable palm oil and deforestation-free supply chains. We estimate that 98% of our beef supply was sourced from regions of lower risk of tropical deforestation in 2021 with about 80% coming from the U.S. and Canada. Disclose progress to CDP Forests on palm oil, soy, paper and beef.
	Building on KFC and Taco Bell's existing goals, Yum! established an elevated and harmonized cross-brand packaging policy that covers four focus areas: eliminating unnecessary packaging, shifting materials, supporting better recovery and recycling systems, and investing in circularity.	<ul style="list-style-type: none"> Expanded polystyrene, of which Styrofoam is a component, makes up of under 1% of the reported plastic used by our system. As we currently understand data submitted by suppliers, an estimated 16% of resins come from recycled sources comprised of 14% pre-consumer and 2% post-consumer. Approximately 13% of plastic used by our system is currently estimated to be commonly recyclable (defined as resin types 1 and 2).