Yum! Brands, Inc., based in Louisville, Kentucky, and its subsidiaries franchise or operate a system of over 55,000 restaurants in more than 155 countries and territories under the company’s concepts – KFC, Taco Bell, Pizza Hut and The Habit Burger Grill. The Company’s KFC, Taco Bell and Pizza Hut brands are global leaders of the chicken, Mexican-style food and pizza categories, respectively. The Habit Burger Grill is a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches and more. In 2022, the Company was named to the Dow Jones Sustainability Index North America. In 2023, Yum! Brands was included on the Bloomberg Gender-Equality Index and Newsweek’s lists recognizing America’s Most Responsible Companies, America’s Greatest Workplaces for Diversity and America’s Greatest Workplaces for Women.

(W0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January 1 2022</td>
<td>December 31 2022</td>
</tr>
</tbody>
</table>

(W0.3) Select the countries/areas in which you operate.
- Australia
- Canada
- France
- Germany
- India
- Israel
- Italy
- Netherlands
- Singapore
- South Africa
- Spain
- Switzerland
- Thailand
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Viet Nam

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No
W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

<table>
<thead>
<tr>
<th></th>
<th>Direct use importance rating</th>
<th>Indirect use importance rating</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sufficient amounts of good quality freshwater available for use</td>
<td>Vital</td>
<td>Vital</td>
<td>Direct use of sufficient amounts of good quality freshwater is vital to our operations because restaurants rely on it for many important functions such as products and sanitation and cannot operate without it. Indirect use of sufficient amounts of good quality freshwater is vital to our value chain because it’s used to help produce many of our primary products, whether developing beverages, preparing meat or helping plants grow. However, Yum! is a global company with a diverse supply chain and adjustments can be made on sourcing to adapt to local conditions. We do not anticipate the future importance rating for direct or indirect operations to change based on the nature of water use in our business practices. Freshwater will continue to remain vital for our direct and indirect use, as is a necessary component of our core product offerings.</td>
</tr>
<tr>
<td>Sufficient amounts of recycled, brackish and/or produced water available for use</td>
<td>Not very important</td>
<td>Not very important</td>
<td>Direct use of sufficient amounts of recycled, brackish and/or produced water is not very important to our operations because of its very limited use throughout our business. Indirect use of sufficient amounts of recycled, brackish and/or produced water is not very important to our value chain because of its limited use through our supply chain. In these extremely rare cases, recycled water has historically been used for waste conveyance and/or irrigation as permitted by local jurisdictions. If any suppliers depend on brackish water, and availability becomes an issue for individual suppliers, Yum!’s adjustments can be made in our diverse supply chain to adapt to local conditions. We do not anticipate the future importance rating for direct or indirect operations to change based on the nature of water use in our business practices, as recycled, brackish, and/or produced water is scarcely used within our business operations.</td>
</tr>
</tbody>
</table>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

<table>
<thead>
<tr>
<th>% of sites/facilities/operations</th>
<th>Frequency of measurement</th>
<th>Method of measurement</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water withdrawals – total volumes</td>
<td>100%</td>
<td>Monthly</td>
<td>Current water withdrawal volumes are recorded from municipal water utility bills for equity restaurant and office locations, and data is requested for all equity restaurant locations. Distribution, including warehouses, is typically handled by third parties and therefore outside of the reporting boundary.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>All of our equity restaurant and office locations are monitored for water withdrawal volumes. The frequency of this activity is typically monthly or every other month depending on local practices. The frequency of Yum!’s reviewing data for withdrawals representing each store is completed on an annual basis. Although efforts have been made to collect data, estimations were completed by necessity in some areas. We look forward to refining our process in future years.</td>
</tr>
<tr>
<td>Produced water associated with your oil &amp; gas sector activities – total volumes (only oil and gas sector)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Water withdrawals – volumes by source</td>
<td>100%</td>
<td>Monthly</td>
<td>Current water withdrawal volumes are recorded from municipal water utility bills for equity restaurant and office locations, and data is requested for all equity restaurant locations. Distribution, including warehouses, is typically handled by third parties and therefore outside of the reporting boundary.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>All of our equity restaurant and office locations are monitored for water withdrawal sources. The frequency of this activity is typically monthly or every other month depending on local practices. The frequency of Yum!’s reviewing data for withdrawals representing each store is completed on an annual basis. Although efforts have been made to collect data, estimations were completed by necessity in some areas. We look forward to refining our process in future years.</td>
</tr>
<tr>
<td>Produced water associated with your oil &amp; gas sector activities – total volumes (only oil and gas sector)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Water withdrawals quality</td>
<td>100%</td>
<td>Other, please specify (At a frequency according to local and manufacturer requirements)</td>
<td>Current water withdrawal is nearly entirely from municipal water sources and we depend on their quality monitoring systems.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>All of our equity restaurant and office locations are monitored for water withdrawal quality. We depend on water quality monitoring systems of municipalities where we operate. However, we also typically provide in-restaurant filtration of water used for drinking and product preparation (such as ice). Those in-restaurant filtration systems are maintained and monitored by local restaurant staff at a frequency according to local and manufacturer requirements.</td>
</tr>
<tr>
<td>Water discharges – total volumes</td>
<td>100%</td>
<td>Yearly</td>
<td>Yum! Brands’ water discharge volumes for equity locations are equal to a store’s withdrawal, minus approximately 15% of volume in consumption.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>All of our equity restaurant and office locations are monitored for water discharge volumes. Water discharge volume of a store is measured by subtracting approximately 15% of consumption from the amount of water withdrawal. This calculated approach is completed on an annual basis and has been applied to our international locations as well. Although efforts have been made to collect data, estimation is the core part of this measurement. We look forward to refining our process in future years.</td>
</tr>
</tbody>
</table>

YUM

Yum! Brands

Yes, a Ticker symbol

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

YUM

Total volumes

Quality

Volumes [only oil and gas sector associated with your operations - total volumes]

Volumes [only metals and/or coal sector associated with your operations - total volumes]

Vitals

Vital

Importance

Vital

Importance

Direct use of sufficient amounts of recycled, brackish and/or produced water is not very important to our operations because of its very limited use throughout our business. Indirect use of sufficient amounts of recycled, brackish and/or produced water is not very important to our value chain because of its limited use through our supply chain. In these extremely rare cases, recycled water has historically been used for waste conveyance and/or irrigation as permitted by local jurisdictions. If any suppliers depend on brackish water, and availability becomes an issue for individual suppliers, Yum!’s adjustments can be made in our diverse supply chain to adapt to local conditions. We do not anticipate the future importance rating for direct or indirect operations to change based on the nature of water use in our business practices, as recycled, brackish, and/or produced water is scarcely used within our business operations.

Please explain
Water discharges – volumes by destination

<table>
<thead>
<tr>
<th>% of sites/facilities/operations</th>
<th>Frequency of measurement</th>
<th>Method of measurement</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>Yearly</td>
<td>Discharges are returned to municipal facilities for treatment. Yum! Brands' water discharge volumes for equity locations are equal to a store's withdrawal, minus approximately 15% of volume in consumption. All of our restaurant and office locations are monitored for water discharge volumes by destination. Water discharge volume of a store is measured by subtracting approximately 15% of consumption from the amount of water withdrawal. The majority of our discharges are returned to municipal facilities for treatment. This calculated approach is completed on an annual basis and has been applied to our international locations as well. Although efforts have been made to collect data, estimation is the core part of this measurement. We look forward to refining our process in future years.</td>
<td></td>
</tr>
</tbody>
</table>

Water discharges – volumes by treatment method

| 100%                             | Other, please specify (At a frequency according to local laws and regulation) | The majority of our discharges are returned to municipal facilities for treatment at their discretion. Yum! Brands' water discharge volumes for equity locations are equal to a store's withdrawal, minus approximately 15% of volume in consumption. All of our restaurant and office locations are monitored for water discharge volumes by treatment method. Water discharge volume of a store is measured by subtracting approximately 15% of consumption from the amount of water withdrawal. The majority of our discharges are returned to municipal facilities for treatment. Our internal standard is to implement grease traps (primary treatment) for all effluents prior to discharging for municipal treatment. We review and comply with all local laws and regulations for the frequency of monitoring, should it be required. |

Water discharge quality – by standard effluent parameters

| 100%                             | Other, please specify (At a frequency according to local laws and regulation) | Water discharge quality is monitored in accordance with regulatory requirements. All of our restaurant and office locations are monitored for water discharge quality by standard effluent parameters in compliance with relevant water discharge permits. Yum! Brands' equity restaurants are designed to produce discharges of acceptable quality for treatment by municipal facilities. Municipalities test discharge according to their regulations. We follow all local laws and regulations for the frequency of monitoring, should it be required. |

Water discharge quality – temperature

| Not relevant                     | <Not Applicable> | We do not measure or monitor water temperature as it relates to discharge quality, as this is not relevant to or required for our operations. The temperature of water released as a result of kitchen processes follows local jurisdictional requirements. It is not expected that discharge temperatures would exceed domestic hot water and therefore is not expected to become relevant in the future. |

Water consumption – total volume

| 100%                             | Yearly                   | Yum! Brands' equity location water consumption is approximately equal to 15% of total water withdrawal. All of our equity restaurant and office locations are monitored for water consumption volumes. Yum! Brands' equity location water consumption is approximately equal to 15% of total water withdrawal. This calculated approach has been applied to our international locations as well. The frequency of Yum! reviewing data for water consumption representing each store is completed on an annual basis. Although efforts have been made to collect data, estimations were completed by necessity in some areas. We look forward to refining our process in future years. |

Water recycled/reused

| Not relevant                     | <Not Applicable> | We do not regularly measure or monitor water recycling or reuse as this is not relevant to or required for our operations. The use of recycled/reused water is extremely rare and limited to test buildings. It is not expected to become relevant in the future. |

The provision of fully-functioning, safely-managed WASH services to all workers

| 100%                             | Other, please specify (Semi-annually) | Monitoring is completed as part of our restaurant food safety audits. All of our equity restaurant and office locations are monitored for the provision of WASH services. Yum! Brands requires clean water for drinking, cooking and cleaning purposes, adequate facilities for excreta purposes, solid waste management and drainage, and general hygiene purposes. Employees also are educated to follow hygiene requirements. WASH facilities are in place in existing workplaces and are built into new restaurants designed by our Development teams, and continue to be included in our Food Safety Facilities and Equipment Standards. Monitoring is completed by our Quality Assurance teams in the field and is typically reviewed twice per year as part of our Restaurant food safety audits. |

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

<table>
<thead>
<tr>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Primary reason for comparison with previous reporting year</th>
<th>Five-year forecast</th>
<th>Primary reason for forecast</th>
<th>Please explain</th>
</tr>
</thead>
</table>
| Total withdrawals        | Lower                                  | Increase/decrease in business activity                   | Lower             | Investment in water-smart technology/process | Total water withdrawals in 2022 decreased from 2021 by about 3% (inclusive of equity restaurants and corporate offices). Please note that CDP does not define the threshold for comparison with the previous reporting year. As such, we have interpreted the change to be "lower."
Water withdrawal data represents all global equity markets and is acquired via our international market surveys on an annual basis. Our expectation is that water withdrawals will hopefully decrease over time as we continue to invest in conservation measures and strive to reduce our water footprint. |
| 2366.68                  | Lower                                  | Increase/decrease in business activity                   | Lower             | Investment in water-smart technology/process | Total water withdrawals in 2022 decreased from 2021 by about 3% (inclusive of equity restaurants and corporate offices). Please note that CDP does not define the threshold for comparison with the previous reporting year. As such, we have interpreted the change to be "lower."
Water withdrawal data represents all global equity markets and is acquired via our international market surveys on an annual basis. Our expectation is that water withdrawals will hopefully decrease over time as we continue to invest in conservation measures and strive to reduce our water footprint. |
| Total discharges         | Lower                                  | Increase/decrease in business activity                   | Lower             | Increase/decrease in efficiency              | Total water discharges in 2022 decreased from 2021 by about 3% (inclusive of equity restaurants and corporate offices). Please note that CDP does not define the threshold for comparison with the previous reporting year. As such, we have interpreted the change to be "lower."
Water discharge data represents all global equity markets and is calculated as Total Withdrawal minus Total Consumption at the brand-level based on data acquired via our international market surveys on an annual basis. Our expectation is that water withdrawals and discharges will hopefully decrease over time as we continue to invest in conservation measures and strive to reduce our water footprint. |
| 2011.68                  | Lower                                  | Increase/decrease in business activity                   | Lower             | Increase/decrease in efficiency              | Total water discharges in 2022 decreased from 2021 by about 3% (inclusive of equity restaurants and corporate offices). Please note that CDP does not define the threshold for comparison with the previous reporting year. As such, we have interpreted the change to be "lower."
Water discharge data represents all global equity markets and is calculated as Total Withdrawal minus Total Consumption at the brand-level based on data acquired via our international market surveys on an annual basis. Our expectation is that water withdrawals and discharges will hopefully decrease over time as we continue to invest in conservation measures and strive to reduce our water footprint. |
| Total consumption        | Lower                                  | Increase/decrease in business activity                   | Lower             | Increase/decrease in efficiency              | Total water consumption in 2022 decreased from 2021 by about 3% (inclusive of equity restaurants and corporate offices). Please note that CDP does not define the threshold for comparison with the previous reporting year. As such, we have interpreted the change to be "lower."
Water withdrawal data represents all global equity markets and is acquired via our international market surveys on an annual basis. Total consumption is then calculated at the company level based on the estimation that approximately 15% of total water withdrawals is used for consumption. Our expectation is that water withdrawals and total consumption will hopefully decrease over time as we continue to invest in conservation measures and strive to reduce our water footprint. |
(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

<table>
<thead>
<tr>
<th>Withdrawals are from areas with water stress</th>
<th>% withdrawn from areas with water stress</th>
<th>Comparison with previous reporting year</th>
<th>Five-year forecast</th>
<th>Primary reason for forecast change</th>
<th>Identification tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>11-25</td>
<td>About the same</td>
<td>Increase/decrease in efficiency</td>
<td>WRI Aqueduct</td>
<td></td>
</tr>
</tbody>
</table>

In 2021, Yum! Brands, Inc. completed a comprehensive Water Risk Assessment for all global equity and franchise restaurant locations. Our Assessment utilized the WRI Aqueduct Water Risk Atlas 3.0 to map and analyze over 53,600 store locations and define “water stressed areas” as any location with a composite water risk score greater than 3.75 based on the WRI Aqueduct Water Risk Atlas 3.0 parameters of overall water risk, baseline water stress, and projected 2030 water stress. The proportion of total withdrawals sourced from water stressed areas represents an aggregate estimate based on the number of equity stores whose composite water risk score was greater than 3.75. This proportion has stayed about the same since our previous assessment in 2019 and for our 2022 water usage. We currently plan to update our next biennial Water Risk Assessment as early as Q4 2023 and will seek to include all global equity and franchise restaurants to be consistent with previous assessments.

(W1.2h) Provide total water withdrawal data by source.

<table>
<thead>
<tr>
<th>Source Description</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Primary reason for forecast change</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water, including rainwater, water from wetlands, rivers, and lakes</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This withdrawal source is not relevant - all Yum! Brands’ water withdrawals are taken from municipal and/or third-party sources, and we anticipate continuing to do so in the future.</td>
</tr>
<tr>
<td>Brackish surface water/Seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This withdrawal source is not relevant - all Yum! Brands’ water withdrawals are taken from municipal and/or third-party sources, and we anticipate continuing to do so in the future.</td>
</tr>
<tr>
<td>Groundwater – renewable</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This withdrawal source is not relevant - all Yum! Brands’ water withdrawals are taken from municipal and/or third-party sources, and we anticipate continuing to do so in the future.</td>
</tr>
<tr>
<td>Groundwater – non-renewable</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This withdrawal source is not relevant - all Yum! Brands’ water withdrawals are taken from municipal and/or third-party sources, and we anticipate continuing to do so in the future.</td>
</tr>
<tr>
<td>Produced/Entrained water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This withdrawal source is not relevant - all Yum! Brands’ water withdrawals are taken from municipal and/or third-party sources, and we anticipate continuing to do so in the future.</td>
</tr>
<tr>
<td>Third party sources</td>
<td>Relevant</td>
<td>2366.68</td>
<td>Lower</td>
<td>Increase/decrease in business activity</td>
<td>All Yum! Brands’ water withdrawals are taken from municipal and/or third-party sources, and we anticipate continuing to do so in the future. Total water withdrawals from third-party sources in 2022 decreased from 2021 by about 3% (inclusive of equity restaurants and corporate offices). Please note that CDP does not define the threshold for comparison with the previous reporting year. As such, we have interpreted the change to be “lower”. Water withdrawal data represents all global equity markets and is acquired via our international market surveys on an annual basis. Our expectation is that water withdrawals will hopefully decrease over time as we continue to invest in conservation measures and strive to reduce our water footprint.</td>
</tr>
</tbody>
</table>
(W1.2) Provide total water discharge data by destination.

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Primary reason for comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This discharge destination is not relevant - all Yum! Brands’ water discharges are returned to groundwater (irrigation) and/or municipal facilities, and we anticipate that this will be consistent in the future.</td>
</tr>
<tr>
<td>Brackish surface water/seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This discharge destination is not relevant - all Yum! Brands’ water discharges are returned to groundwater (irrigation) and/or municipal facilities, and we anticipate that this will be consistent in the future.</td>
</tr>
<tr>
<td>Groundwater</td>
<td>Relevant</td>
<td>828.34</td>
<td>Lower</td>
<td>Increase/decrease in business activity</td>
</tr>
<tr>
<td>Third-party destinations</td>
<td>Relevant</td>
<td>1183.34</td>
<td>Lower</td>
<td>Increase/decrease in business activity</td>
</tr>
</tbody>
</table>

(W1.2) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Primary reason for comparison with previous reporting year</th>
<th>% of your sites/facilities/operations this volume applies to</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tertiary treatment only</td>
<td>Relevant</td>
<td>1183.34</td>
<td>Lower</td>
<td>Increase/decrease in business activity</td>
<td>91-99</td>
</tr>
<tr>
<td>Discharge to the natural environment without treatment</td>
<td>Relevant</td>
<td>828.34</td>
<td>Lower</td>
<td>Increase/decrease in business activity</td>
<td>91-99</td>
</tr>
<tr>
<td>Discharge to a third party without treatment</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>
(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

<table>
<thead>
<tr>
<th>Revenue Total water withdrawal volume (megaliters)</th>
<th>Total water withdrawal efficiency</th>
<th>Anticipated forward trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 6842000 000 2366.68 2890969.6283401 2</td>
<td>We anticipate that in the near term, our water withdrawal efficiency will remain about the same. Our expectation is that our water efficiency will hopefully improve over time as we continue to invest in conservation measures and strive to reduce our water footprint.</td>
<td></td>
</tr>
</tbody>
</table>

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

<table>
<thead>
<tr>
<th>Products contain hazardous substances</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 No 1</td>
<td>Our product is food that is distributed by brands: KFC, Taco Bell, Pizza Hut, and Habit Burger Grill. Our food products follow all applicable health and safety regulations. The Company’s brands are global leaders in the chicken, Mexican-style food and pizza categories, respectively. The Habit Burger Grill is a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches, and more.</td>
</tr>
</tbody>
</table>

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

<table>
<thead>
<tr>
<th>Suppliers Other value chain partners (e.g., customers)</th>
<th>Engagement</th>
<th>Primary reason for no engagement</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1 Assessment of supplier impact
Yes, we assess the impact of our suppliers

Considered in assessment
Basin status (e.g., water stress or access to WASH services)
Supplier dependence on water
Number of suppliers identified as having a substantive impact
1450
% of total suppliers identified as having a substantive impact
100%

Please explain
In 2021, we evaluated 1,450 suppliers using the WRI Aqueduct tool to assess water stress. To adequately capture the company’s exposure to risk, we anticipate updating our water stress review and water risk scores every two years.

In addition, suppliers are routinely assessed for compliance with Yum! food safety standards, which include access to WASH services. Suppliers must remain compliant with all food safety and quality requirements.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization’s purchasing process?

<table>
<thead>
<tr>
<th>Suppliers have to meet specific water-related requirements</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Yes, water-related requirements are included in our supplier contracts</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>
(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

**Water-related requirement**
Providing fully-functioning, safely managed WASH services to all workers

% of suppliers with a substantive impact required to comply with this water-related requirement
100%

% of suppliers with a substantive impact in compliance with this water-related requirement
100%

**Mechanisms for monitoring compliance with this water-related requirement**
Certification
Off-site third-party audit
Supplier scorecard or rating

**Response to supplier non-compliance with this water-related requirement**
Retain and engage

**Comment**
Suppliers must follow the Yum! Code of Conduct which includes following Yum! food safety and quality requirements of which accesses to WASH services are incorporated. In the event of non-compliance, we strive to retain and engage suppliers to ensure successful execution of corrective actions. If corrective actions aren’t implemented, we reserve the right to suspend or terminate contractual relationships with non-compliant suppliers until our standards are met.

In 2022, Yum! joined the Consumer Goods Forum, which manages the Global Food Safety Initiative (GFSI). GFSI benchmarks certify food safety audit certification schemes bodies and provide governance over audit standards. GFSI is the most widely accepted benchmarking program in the world. Over the next three years, Yum! will transition to 100% GFSI Recognized Certification.
(W1.5d) Provide details of any other water-related supplier engagement activity.

**Type of engagement**
Incentivization

**Details of engagement**
Incentivize demonstrable progress against targets on WASH in your supplier relationship management

**% of suppliers by number**
76-99

**% of suppliers with a substantive impact**
76-99

**Rationale for your engagement**
Yum!'s suppliers must follow our Supplier Code of Conduct, which includes following Yum! food safety and quality requirements of which accesses to WASH services are incorporated, and thereby adhere to Yum! sustainability policies and positions as outlined in our Global Citizenship & Sustainability Report. Suppliers are prioritized and selected based on Tier (direct vs. indirect), criticality, and relative risk to the system.

**Impact of the engagement and measures of success**
Upon request, suppliers provide information regarding their environmental management systems, provision of WASH services, and leadership in meeting or exceeding relevant sustainability and food safety standards. Failure to meet our standards can lead to corrective or disciplinary measures as part of our supplier management program.

Through this engagement activity, we strive to ensure WASH services are properly provided in our supply chain, which leads to beneficial outcomes in increasing the proportion of local population and workers using safely managed sanitation services. The success of this engagement is measured by the percentage of suppliers in compliance with our food safety and WASH services-related requirements.

**Comment**
For more information visit our Global Citizenship & Sustainability Report at https://www.yum.com/wps/portal/yumbrands/Yumbrands/citizenship-and-sustainability

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**Type of engagement**
Information collection

**Details of engagement**
Collect water management information at least annually from suppliers

**% of suppliers by number**
1-25

**% of suppliers with a substantive impact**
1-25

**Rationale for your engagement**
Yum! Brands recognizes the importance of the evaluation of water risks and associated risk management activities in the agricultural supply chain. Our annual sustainability survey engagement with suppliers includes the collection of key forest resources and water basins information which contributes to protecting watersheds and managing risks.

**Impact of the engagement and measures of success**
Requesting suppliers to report annually through Yum! sustainability survey assists Yum! Brands in the development of future supply chain-oriented water and land management targets. We monitor the impact of the engagement based on improved sharing of best practices, increased awareness and understanding of water-related issues, and water-related KPIs for forest commodities including the volume of sustainably certified materials. Proper management of forest resources contributes to eliminating deforestation which helps to promote watershed health and water security by stabilizing soils, reducing erosion, regulating water flow, and purifying water sources. Success of this engagement is measured via our annual surveys which inform our progress against our fiber and palm oil goals, inclusive of our goal of buying 100% paper-based packaging from certified or recycled sources.

Suppliers who are not meeting our deforestation prevention policies are subject to removal. We have removed both palm and paper suppliers from our system as a result of this work. Results of the survey are used by our internal supply chain teams to work toward meeting goals. It also assists Yum! Brands in the development of future supply chain-oriented water targets.

**Comment**
For more information visit our Global Citizenship & Sustainability Report at https://www.yum.com/wps/portal/yumbrands/Yumbrands/citizenship-and-sustainability

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W1.5e
(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder
Other, please specify (Franchisees)

Type of engagement
Education / information sharing

Details of engagement
Educate and work with stakeholders on understanding and measuring exposure to water-related risks

Rationale for your engagement
The restaurants of Yum! brands are 98% owned by franchisees and therefore critical to our success. We engage with select franchisees to gather water withdrawal data each year as well as other sustainability metrics such as energy. This engagement allows us to understand system performance and reinforce the importance of addressing sustainability issues, including enhancing our understanding of water risk impacts to our business.

Impact of the engagement and measures of success
In 2022 we collected water withdrawal data from our franchisees to understand system performance and reinforce the importance of addressing sustainability issues, including water. This information is used in reporting and stakeholder engagements to drive awareness of water stewardship. Success of this engagement is measured by the completion rate and quality of franchisees’ responses to our sustainability surveys.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
Yes

W2.1a
(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

**Country/Area & River basin**

| India | Other, please specify (All basins in that country) |

| Type of impact driver & Primary impact driver |

| Chronic physical | Inadequate infrastructure |

**Primary impact**

Increased operating costs

**Description of impact**

As a result of challenging infrastructure in many locations, it is necessary to transport water to the restaurants and/or conduct filtration at higher levels than typically done in many markets, thus resulting in increased operating costs (e.g., as reflected in a small percentage increase in water utility bills). Although we expected a chronic financial impact for our India market, the impact on the corporation did not reach the substantive level.

**Primary response**

Improve pollution abatement and control measures

**Total financial impact**

106900

**Description of response**

Our restaurants provide filtration, such as reverse osmosis, as required and make arrangements for water to be provided. We have estimated the financial impact, based on the metering of a restaurant, the resulting process water, energy and maintenance costs. The number provided is an estimate of costs for equity locations.

**Country/Area & River basin**

| United States of America | Other, please specify (all basins in that country) |

| Type of impact driver & Primary impact driver |

| Acute physical | Drought |

**Primary impact**

Increased operating costs

**Description of impact**

The recent drought in the Western United States caused supply interruptions for our commodity ingredients, including impacts to our produce, dairy and beef supplies. The drought resulted in increased ingredient prices (e.g., as reflected in a percentage increase in the costs of agricultural commodities) from our suppliers as well as our sourcing from alternative regions, where feasible. Please note that Yum! Brands has a diverse supplier base which typically enables us to mitigate the impact of such risks. Although a chronic financial impact for our US markets, the impact on the corporation did not reach the substantive level.

**Primary response**

Increase supplier diversification

**Total financial impact**

1300000

**Description of response**

The drought resulted in increased ingredient prices from our suppliers as well as our sourcing from alternative regions, where feasible. Please note that Yum! Brands has and leverages a diverse supplier base which typically enables us to mitigate the impact of such risks. Although a chronic financial impact for our US markets, the impact on the corporation did not reach the substantive level. Please note that the reported total financial impact represents a portion of the price impacts that we experienced for produce supplies in 2020 and is estimated to be roughly similar for 2022. It is not representative of all areas of the supply chain nor should it be interpreted to be comprehensive.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

<table>
<thead>
<tr>
<th>Water-related regulatory violations</th>
<th>Fines, enforcement orders, and/or other penalties</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>No</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

W3. Procedures

W3.1
(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

<table>
<thead>
<tr>
<th>Identification and classification of potential water pollutants</th>
<th>How potential water pollutants are identified and classified</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Yes, we identify and classify our potential water pollutants</td>
<td>We follow all applicable water discharge standards to manage wastewater, including regulatory requirements related to water pollutants. Monitoring of water discharge quality by standard effluent parameters is done in compliance with water discharge permits in jurisdictions where we have operations. As a result of cooking and cleaning activities, most restaurants generate fats, oils, and grease (FOG) that have the potential to enter the wastewater system. These result from food scraps, cooking oil residue, butter, margarine, and dairy products. Yum! Brands' equity restaurants are designed to produce discharges of acceptable quality for treatment by municipal facilities. Municipalities test discharge according to their regulations. Through this process, water pollutants that may pose impacts to ecosystems are treated in accordance with applicable regulatory classification and processing standards of wastewater discharges.</td>
</tr>
</tbody>
</table>

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category
Other physical pollutants

Description of water pollutant and potential impacts
As a result of cooking and cleaning activities, most restaurants generate fats, oils, and grease (FOG) that have the potential to enter the wastewater system.

Pipes subject to excessive quantities of FOG can result in sewer overflows. Design, maintenance, and municipal treatment of water discharges help to minimize these risks.

Value chain stage
Direct operations

Actions and procedures to minimize adverse impacts
Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
Resource recovery
Implementation of integrated solid waste management systems
Provision of best practice instructions on product use
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain
We follow all regulatory requirements for the handling of FOG generated by restaurants. To reduce the discharge of FOG into municipal wastewater treatment systems, our restaurants are designed with sector-specific processes and equipment. One of the most common approaches we adopt is the whole restaurant in-ground grease interceptor which collects FOG. These interceptors are regularly inspected and cleaned by a waste hauler according to manufacturer and municipal requirements. In 2022, KFC Australia trialed additional technology to further improve water quality discharged through sewers in partnership with Sydney Water.

Restaurants also use resource recovery to reduce the impact of FOG on the wastewater system. Used cooking oil from fryers is collected and stored separately for removal and recycling. Employees responsible for the process are trained.

Success of FOG management is measured by the number of environmental violations to ensure safe disposal of FOG. In 2022 there were no reported violations within corporate operations.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage
Direct operations

Coverage
Full

Risk assessment procedure
Water risks are assessed as a standalone issue

Frequency of assessment
More than once a year

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Databases
Other
Tools and methods used
External consultants
National specific databases, tools, or standards
Other, please specify (Interaction with local governance and water jurisdictions, Development Management Databases)

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Impact on human health
Water regulatory frameworks
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Local communities
Regulators
Water utilities at a local level
Other, please specify (Franchisees)

Comment
Water availability and quality is essential for stores’ operation. During the development process for new restaurants, Development teams are responsible for assessing water availability. That is done through interaction with local governance and water jurisdictions, and consultants as appropriate. This occurs multiple times a year as restaurants are developed, but generally once for each location.

Value chain stage
Direct operations
Supply chain

Coverage
Full

Risk assessment procedure
Water risks are assessed as a standalone issue

Frequency of assessment
Every two years

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
International methodologies and standards
Other

Tools and methods used
WRI Aqueduct
Internal company methods
External consultants

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Implications of water on your key commodities/raw materials
Status of ecosystems and habitats

Stakeholders considered
Customers
Employees
Investors
Local communities
NGOs
Regulators
Suppliers
Other water users at the basin/catchment level
Other, please specify (Franchisees)

Comment
In 2021, Yum! Brands researched industry-wide water risks and best practices and surveyed internal departments’ awareness of water risks as we strengthened our existing water stewardship practices. We completed a global risk assessment of our restaurants using WRI’s Aqueduct tool. This applies both to direct operations and franchisees. For the first time we also included 1,450 suppliers in the water screening. To adequately capture the company’s exposure to risk, we anticipate updating our water stress review and water risk scores every two years.

Value chain stage
Direct operations
Supply chain

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Databases
Other

Tools and methods used
Internal company methods
External consultants
Other, please specify (Supplier Management Tools)

Contextual issues considered
Implications of water on your key commodities/raw materials

Stakeholders considered
Customers
Employees
Investors
Other, please specify (Franchisees)

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

Value chain stage
Direct operations
Supply chain

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment
Annually

How far into the future are risks considered?
Up to 1 year

Type of tools and methods used
International methodologies and standards
Other

Tools and methods used
Internal company methods
External consultants

Contextual issues considered
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Suppliers
Other, please specify (Franchisees)

Comment
Through food safety audits, we provide restaurant team member training on employee health, product handling, ingredient and product management and prevention of cross-contamination. Access to WASH services is important for restaurants. Since 2016, Yum! has conducted more than 699,000 restaurant food safety audits.

Suppliers must follow the Yum! Code of Conduct which includes following Yum! food safety and quality requirements of which accesses to WASH services are included. In 2022, Yum! joined the Consumer Goods Forum, which manages the Global Food Safety Initiative (GFSI). GFSI benchmarks certify food safety audit certification schemes bodies and provide governance over audit standards. GFSI is the most widely accepted benchmarking program in the world.

W3.3b
### W4. Risks and opportunities

#### W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

#### W4.1a

(W4.1a) 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 (such as water) can be important yet not rise to the provided benchmark of being financially or strategically 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! Brands, 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 substantive at the corporate level. The definition of what would be considered as “substantive” for the company is applicable to both direct operations and supply chain and is reviewed at least annually and updated as necessary.

#### W4.2b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

<table>
<thead>
<tr>
<th>Row</th>
<th>Rationale for approach to risk assessment</th>
<th>Explanation of contextual issues considered</th>
<th>Explanation of stakeholders considered</th>
<th>Decision-making process for risk response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The primary tool that we use for the evaluation of water risk in our direct operations is WRI Aqueduct. In 2021, we completed a risk assessment using this development management database tool for nearly all of our restaurants for the reporting year. Our intent is to conduct this review approximately every two years with the input of external consultants and utilization of our internal databases.</td>
<td>We consider a variety of core contextual water issues and stakeholders in our assessment process. Yum! Brands requires clean water for drinking, cooking and cleaning purposes, adequate facilities for excreta purposes, solid waste management and drainage, and general hygiene purposes. Water is imperative to WASH facilities that are in place in existing workplaces for all employees and are built into new restaurant designs by our Development teams and continue to be included in our Food Safety Facilities and Equipment Standards. Water availability and quality at the basin/catchment level is essential for a restaurant’s operation. We can’t operate without it.</td>
<td>Relatable and quality water supply is essential for customers, employees, and franchisees during a restaurant’s operation. We can’t operate without it.</td>
<td>The results of the water risk assessment completed using WRI Aqueduct inform our internal decision-making process. Results are compiled for each of our brands and their regions to help with decision making. Provided data encourages the adoption of water conservation measures for locations included in high risk areas (defined by a composite risk score over 3.75 based on WRI Aqueduct parameters). Specific measures for restaurants are detailed in our green building guidance and development design standards. For example, principles such as higher efficiency ice machines, low-flow faucets and toilets were used to provide guidance regarding drought responses to our team in South Africa, resulting in reduced water consumption to comply with the mandate from local authorities.</td>
</tr>
</tbody>
</table>
(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks exist, but no substantive impact anticipated</td>
<td>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, water risk can be important yet not rise to the CDP benchmark of being financially or strategically important at a level that is substantive to the corporation. In 2021, Yum! Brands completed a comprehensive Water Risk Assessment for all global equity and franchise restaurant locations. Our Assessment utilized the WRI Aqueduct Water Risk Atlas 3.0 to map and analyze over 63,000 store locations and defined &quot;water stressed areas&quot; as any location with a composite water risk score greater than 3.75 based on the WRI Aqueduct Water Risk Atlas 3.0 parameters of overall water risk, baseline water stress, and projected 2030 water stress. This process identified 272 locations within our direct operations that were identified as &quot;high risk&quot; (based on a composite water risk score greater than 3.75) located in multiple basins across the globe. If in the highly unlikely event that all of those locations were negatively impacted or closed by a water-related incident, it would not have a substantive financial or strategic impact on the corporation. In addition to our biennial Water Risk Assessment, we completed our inaugural TCFD analysis in 2021 and report to analyze our global climate risks and opportunities. This analysis concluded that 3.1% of our global restaurants and 12.6% of our global suppliers are specified as &quot;at risk&quot; for chronic physical risks and prolonged impacts from slow-onset climate shifts (e.g. water stress, persistent drought). None of these findings reach the threshold of substantive due to the nature of our organization and ability to source from a diverse global supply chain. Although such risk does not rise to the level of substantive, we continue to monitor our water risk and encourage restaurants in high-risk areas to incorporate water conserving measures, such as our current efforts to reduce water consumption in South Africa. To adequately capture the company's exposure to risk, we anticipate updating our water stress analysis every two years. We currently plan to update our next Water Risk Assessment as early as Q4 2023 and will seek to include all global equity and franchise restaurants to be consistent with previous assessments.</td>
</tr>
</tbody>
</table>

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks exist, but no substantive impact anticipated</td>
<td>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, water risk can be important yet not rise to the CDP benchmark of being financially or strategically substantive. Direct use of sufficient amounts of good quality freshwater is vital to our supply chain because it's used to help produce many of our primary products, whether developing beverages, preparing meals, or helping plants grow. However, Yum! is a global company with a diverse supply chain and adjustments can be made on sourcing to adapt to conditions impacting one or multiple water basins. In 2021, Yum! Brands completed a comprehensive Water Risk Assessment for all global equity and franchise restaurant locations using the WRI Aqueduct tool. This process identified that approximately 17% of locations in different basins across the globe were considered to be &quot;high risk&quot; based on a composite water risk score greater than 3.75. This is about the same as the previous assessment completed in 2019. It is highly unlikely that the number of potentially impacted locations would rise to have a substantive financial or strategic impact on the corporation. In addition to our biennial Water Risk Assessment, we recently completed our inaugural TCFD analysis and report to analyze our global climate risks and opportunities. This analysis concluded that 3.1% of our global restaurants and 12.6% of our global suppliers are specified as &quot;at risk&quot; for chronic physical risks and prolonged impacts from slow-onset climate shifts (e.g. water stress, persistent drought). None of these findings reach the threshold of substantive due to the nature of our organization and ability to source from a diverse global supply chain. Although such risk does not rise to the level of substantive, we continue to monitor our water risk and encourage restaurants in high-risk areas to incorporate water conserving measures. A recent example is our efforts to reduce water consumption in South Africa in partnership with franchisees. To adequately capture the company's exposure to risk, we anticipate updating our water risk analysis every two years. We currently plan to update our next Water Risk Assessment as early as Q4 2023 and will seek to include all global equity and franchise restaurants to be consistent with previous assessments.</td>
</tr>
</tbody>
</table>

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

(W4.3b) Why does your organization not consider itself to have water-related opportunities?

<table>
<thead>
<tr>
<th>Primary reason</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunities exist, but none with potential to have a substantive financial or strategic impact on business</td>
<td>There are water-related opportunities for our corporation but they do not currently rise to a level of substantive at the corporate level. There is no single definition of what would rise to this level but for a corporation such as Yum!, a system impact of approximately 5% of net income for the annual reporting period could be considered substantive at the corporate level. The definition of what would be considered substantive for the company is reviewed at least annually and updated as necessary. Water opportunities are reviewed by the brands and Yum! on an ongoing basis as part of continual improvements in restaurant development/operations and our Citizenship &amp; Sustainability reporting cycle. We focus on water related opportunities for the benefit of our customers, employees, franchisees and shareholders. These include: 1. Water Efficiency: Remodeling existing restaurants and building new restaurants that follow our green building standards reduces water consumption and realizes cost savings. The estimated potential financial impact for approaches implemented in 2022 for direct operations and franchise operations is $2.37 MM. The portion of that amount directly related to Yum! direct operations was about $59,000 (&lt;5% of net income) and therefore does not rise to a substantive level. This assessment is repeated each year. 2. Community Relations: There is opportunity for us to build positive community relations by being a good environmental steward, which includes our focus on water conservation. We evaluate the impact water has on our business and the communities we serve through tools like WRI Aqueduct and materiality assessments. For example, KFC Australia is very focused on water conservation and introduced water saving measures including water-efficient landscaping, high-efficiency restroom fixtures, and rainwater harvesting tanks. 3. Increased Shareholder Value: PRI investors consider water risks and opportunities in their evaluation of our public securities through their consideration of environment, social, and governance (ESG) research from MSCI, Sustainalytics, Bloomberg, CDP, Cassis, and others. We pursue water efficiency efforts that generate a positive return on investment and disclose them as part of our targeted communications.</td>
</tr>
</tbody>
</table>

W6. Governance
(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

(W6.1a) Select the options that best describe the scope and content of your water policy.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
<th>Please explain</th>
</tr>
</thead>
</table>
| Company-wide | Description of business dependency on water | Our environmental sustainability strategy and policy is publicly available in our Global Citizenship & Sustainability Report and includes a direct reference to our water stewardship goal to reduce water consumption (withdrawal) in Company-owned restaurants. As a global company, it is important to have a company-wide water policy given our business dependency on water. The policy includes our commitment to investing in water stewardship initiatives, complying with applicable standards, and aligning with public policy initiatives to address our impacts on watersheds and water risks that are related to climate change. We will continue to improve our ability to collect water data and are committed to implementing water-saving technologies to promote water optimization and conservation.

As stated in our Supplier Code of Conduct, suppliers are 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 applicable environmental standards and demonstrating year-over-year progress towards reducing environmental footprints and impacts of their operations, which include ensuring compliance with applicable industry sustainability standards and practices.

We are a member of the Meridian Institute Ocean Plastics Leadership Network. The organization brings together stakeholders across activism, industry, policy, and finance to help end plastic waste in our oceans.

In addition to specific water stewardship goals and supply chain requirements, we have an ongoing commitment to source 100% of our palm oil used for cooking from responsible and sustainable sources and to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources. Both goals are in direct response to our policy in those respective areas and can have a direct impact on forest health and watersheds. To further support making progress toward no deforestation and using our scale to positively impact, we endorsed the New York Declaration on Forests (NYDF). Our policies provide a combination of direct reduction of operational costs in the case of restaurant water conservation, are in the interest of our stakeholders, and are beneficial to the environment. |
| Description of business impact on water | Commitment to align with international frameworks, standards, and widely-recognized water initiatives | |
| Description of business impact on water | Commitment to reduce water withdrawal and/or consumption volumes in direct operations | |
| Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace | Commitment to water stewardship and/or collective action | |
| Commitments beyond regulatory compliance | Reference to company water-related targets | |
| Recognition of environmental linkages, for example, due to climate change | |

(W6.2) Is there board level oversight of water-related issues within your organization?
Yes

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

<table>
<thead>
<tr>
<th>Position of individual or committee</th>
<th>Responsibilities for water-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>As the top operational decision-maker and member of the Board of Directors, the CEO has the ultimate responsibility for ESG issues, including material water-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 Growth. A water-related decision that the CEO would be involved in would be setting a strategy such as how to address water risk in the organization. An example of a water-related decision from 2022 that the CEO was involved in was the setting of our sustainable packaging goal which is a commitment to remove unnecessary plastics, invest in circularity, and support the expansion of recovery systems. These efforts have an impact on water consumption and reductions in plastic pollution. Oversight for ESG issues ultimately resides with the Board of Directors. ESG matters are included on the agenda of most Board or Board committee meetings. The Board receives updates on these matters from management through the Audit, Management Planning and Development and Nominating and Governance Committees. 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 ensures the Chief Corporate Affairs Officer and Chief Sustainability Officer to drive company strategy for water-related issues. They are responsible for:</td>
</tr>
<tr>
<td></td>
<td>• Leveraging sustainability to promote business growth, drive brand equity and minimize business, social and financial risks of Yum! Brands' global business enterprise including water</td>
</tr>
<tr>
<td></td>
<td>• Focusing on the scope of the business model for the entire business enterprise globally</td>
</tr>
<tr>
<td></td>
<td>• Ensuring Yum! Brands operates efficiently and sustainably to drive shareholder value and brand positioning</td>
</tr>
<tr>
<td></td>
<td>• Updating the Audit Committee on an annual basis regarding the Company’s environmental commitments and progress which include progress on our water commitments</td>
</tr>
</tbody>
</table>
(W6.2b) Provide further details on the board’s oversight of water-related issues.

<table>
<thead>
<tr>
<th>Frequency that water-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which water-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled - some meetings</td>
<td>Monitoring implementation and performance</td>
<td>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 ESG issues ultimately resides with the Yum! Brands Board of Directors. The Company has an integrated, Board and executive level governance structure to oversee its global sustainability initiatives. The Board receives regular updates on these matters from management through the Audit, Management Planning and Development and Nominating and Governance Committees. The committees have initial board-level oversight responsibilities for ESG-related items which fall within the purview of each of their designated areas of responsibility. Issues related to water are brought to their attention as warranted and are elevated using these governance and management mechanisms within the company. Not all water related issues are elevated, nor do all business actions have a material water-related impact. In early 2023, the Committees’ charters were each amended to clarify the areas of the Company’s ESG strategy and initiatives for which each committee has initial oversight responsibility. Water related topics are covered by the Nominating and Governance Committee. At the operational level, the Chief Corporate Affairs Officer is responsible for overseeing the global reputation of Yum! Brands and shaping the citizenship and sustainability strategy, Recipe for Good Growth, as approved by the Board, with the Chief Sustainability Officer.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Board member(s) have competence on water-related issues</th>
<th>Criteria used to assess competence of board member(s) on water-related issues</th>
<th>Primary reason for no board-level competence on water-related issues</th>
<th>Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Experience in identifying and addressing risks and opportunities associated with sustainability, including water-related issues. Ability to engage stakeholders on relevant water issues.</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

W6.3
Name of the position(s) and/or committee(s)
Chief Sustainability Officer (CSO)

Water-related responsibilities of this position
Assessing future trends in water demand
Assessing water-related risks and opportunities
Managing water-related risks and opportunities
Setting water-related corporate targets
Managing public policy engagement that may impact water security
Managing value chain engagement on water-related issues

Frequency of reporting to the board on water-related issues
Half-yearly

Please explain
The Chief Sustainability Officer (CSO) chairs our ESG Council and is responsible for coordinating the execution of our sustainability strategy, including water-related issues. This senior leader works with sustainability leads at KFC, Pizza Hut, Taco Bell, Habit Burger Grill, and Yum! corporate to execute the strategy. The duties of this position also include the annual representation of sustainability issues, including water, 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 prioritizes risks based on factors that impact the business. The CSO typically presents metrics relating to the progress the corporation has made toward its goals, such as progress on our water reduction goal of 10% per restaurant on average by 2025 as well as our sustainable fiber goal.

Do you provide incentives to C-suite employees or board members for the management of water-related issues?

<table>
<thead>
<tr>
<th>Role(s) entitled to Incentive</th>
<th>Performance indicator</th>
<th>Contribution of Incentives to the achievement of your organization’s water commitments</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary reward</td>
<td>Chief Sustainability Officer (CSO)</td>
<td>Reduction of water withdrawals – direct operations</td>
<td>Reduction of water withdrawals of our direct operations is linked to our 2025 goal of reducing average water use per restaurant by 10%. Progress on this indicator is considered a factor in the decision-making process of the bonus plan for our Chief Sustainability Officer.</td>
</tr>
<tr>
<td>Non-monetary reward</td>
<td>Chief Sustainability Officer (CSO)</td>
<td>Reduction of water withdrawals – direct operations</td>
<td>Reduction of water withdrawals of our direct operations is linked to our 2025 goal of reducing average water use per restaurant by 10%. Progress on this indicator is considered a factor in the decision-making process of the bonus plan for our Chief Sustainability Officer.</td>
</tr>
</tbody>
</table>

Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?
Yes, direct engagement with policy makers
Yes, trade associations
Yes, other
(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Yum! Brands drives consistency between our policies, commitments, and industry engagement activities through the nature of our organizational structure. Our Chief Sustainability Officer, who also leads Government Affairs, sets and maintains sustainability policies, coordinates external engagement efforts, as well as represents sustainability issues, including water, on the Yum! Risk Committee. Under the guidance of this individual, the Sustainability team and the Government Affairs team, who drives external policy engagement, work to ensure consistency in our external engagement activities and corporate policies. Due to the global scale of our organization, there are multiple business divisions, geographies, and water-related engagement activities that occur across our operations. Maintaining cross-functional teams that ultimately report to this individual allows us to coordinate multiple policy agendas, company commitments, and strategic objectives for sustainability issues through a consistent approach for Yum! Brands. In the event that inconsistencies are discovered, the Chief Sustainability Officer coordinates with the brand sustainability leads and ESG Council to address and take steps to build alignment.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

Yum! Brands 2022 Annual Report.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

<table>
<thead>
<tr>
<th>Are water-related issues integrated?</th>
<th>Long-term time horizon (years)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Long-term business objectives</strong></td>
<td>Yes, water-related issues are integrated &gt; 30</td>
<td>Our fundamental, long term environmental sustainability strategy addressing material water issues is twofold: First, it is to design, build and operate restaurants to be measurably more sustainable using green building standards to drive reductions in energy, GHG emissions, water and waste use and to report progress annually through CDP disclosures. Second is to work to elevate the supply chain in order to reduce deforestation through objectives including the sourcing of 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources. The maintaining of this strategy is the most substantial business decision made during the reporting year that has been influenced by water-related issues, including ensuring adequate water supplies and WASH services in our restaurants. Failure to achieve these objectives could potentially result in increased stakeholder attention, food safety concerns, and/or increased operating risk. Please note that Yum! Brands currently defines our long-term time horizon as any time period greater than 5 years. We have therefore selected the maximum threshold for a long-term time horizon as greater than 30 years to best fit our definition.</td>
</tr>
<tr>
<td><strong>Strategy for achieving long-term objectives</strong></td>
<td>Yes, water-related issues are integrated &gt; 30</td>
<td>Our fundamental, long term environmental sustainability strategy addressing material water issues is twofold: First, it is to design, build and operate restaurants to be measurably more sustainable using green building standards to drive reductions in energy, GHG emissions, water and waste use and to report progress annually through CDP disclosures. Second is to work to elevate the supply chain in order to reduce deforestation through objectives including the sourcing of 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources. The maintaining of this strategy is the most substantial business decision made during the reporting year that has been influenced by water-related issues, including ensuring adequate water supplies and WASH services in our restaurants. Failure to implement strategies to achieve these objectives could potentially result in increased stakeholder attention, food safety concerns, and/or increased operating risk. Please note that Yum! Brands currently defines our long-term time horizon as any time period greater than 5 years. We have therefore selected the maximum threshold for a long-term time horizon as greater than 30 years to best fit our definition.</td>
</tr>
<tr>
<td><strong>Financial planning</strong></td>
<td>Yes, water-related issues are integrated &gt; 30</td>
<td>Our fundamental, long term environmental sustainability strategy addressing material water issues is twofold: First, it is to design, build and operate restaurants to be measurably more sustainable using green building standards to drive reductions in energy, GHG emissions, water and waste use and to report progress annually through CDP disclosures. Second is to work to elevate the supply chain in order to reduce deforestation through objectives including the sourcing of 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources. The maintaining of this strategy is the most substantial business decision made during the reporting year that has been influenced by water-related issues, including ensuring adequate water supplies and WASH services in our restaurants. Financial planning related to water strategies is primarily incorporated into our business planning in the short-term, however we continue to consider long-term financial implications of water impacts as part of our overall strategy. Failure to achieve these objectives could potentially result in increased stakeholder attention, food safety concerns, and/or increased operating risk. Please note that Yum! Brands currently defines our long-term time horizon as any time period greater than 5 years. We have therefore selected the maximum threshold for a long-term time horizon as greater than 30 years to best fit our definition.</td>
</tr>
</tbody>
</table>

W7.2
What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

| Water-related CAPEX (+/- % change) | 0 |
| ANTICIPATED FORWARD TREND FOR CAPEX (+/- % change) | 0 |
| Water-related OPEX (+/- % change) | 13.6 |
| Anticipated forward trend for OPEX (+/- % change) | 0 |

Please explain

In 2022, Yum! Brands invested in water-saving measures for new and existing buildings as part of water conservation efforts in support of our goals. This included using more efficient building fixtures, improved process equipment, and better irrigation systems with local plant species. It is estimated that CAPEX was approximately on parity with the previous reporting year due to the stable growth rate of our equity restaurant and office count.

OPEX was related to our water utility bills and increased by approximately 13.6% compared to 2021, primarily attributed to increases in utility costs and improved water cost calculation methodologies for our global equity markets.

We do not currently anticipate significant changes to these expenditures for the next reporting year.

Does your organization use scenario analysis to inform its business strategy?

<table>
<thead>
<tr>
<th>Use of scenario analysis</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>We completed a TCFD report in 2021, including the use of climate-related scenario analysis. Since 2005, Yum! Brands has demonstrated steady progress toward our sustainability and water-related goals. Our fundamental business strategy is twofold: First, it is to design, build and operate restaurants to be measurably more sustainable using green building standards to drive reductions in energy, GHG emissions, waste and water use and to report progress annually through CDP disclosures. Second is to work to elevate the supply chain to reduce deforestation through objectives including sourcing 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources.</td>
</tr>
</tbody>
</table>

Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.

<table>
<thead>
<tr>
<th>Type of scenario analysis used</th>
<th>Parameters, assumptions, analytical choices</th>
<th>Description of possible water-related outcomes</th>
<th>Influence on business strategy</th>
</tr>
</thead>
</table>
(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

Yum! Brands has not explored the relevancy of an internal price of water at the time of this disclosure. We will revisit this topic in the future as our programs continue to evolve and our markets gain experience in this area.

(W7.5) Do you classify any of your current products and/or services as low water impact?

<table>
<thead>
<tr>
<th>Products and/or services classified as low water impact</th>
<th>Definition used to classify low water impact</th>
<th>Primary reason for not classifying any of your current products and/or services as low water impact</th>
<th>Please explain</th>
</tr>
</thead>
</table>
| Row 1                                                 | No, and we do not plan to address this within the next two years | Important but not an immediate business priority | Yum! Brands has not classified any of our products as low water impact at the time of this disclosure. We are currently focused on continuing to monitor our water risks and strengthening our existing water stewardship practices. We will revisit this topic in the future as our programs continue to evolve and our markets gain experience in this area.

W8. Targets
W8.1

(W8.1) Do you have any water-related targets?
Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

<table>
<thead>
<tr>
<th>Category of target</th>
<th>Target set in this category</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water pollution</td>
<td>Yes</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Water withdrawals</td>
<td>Yes</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Water, Sanitation, and Hygiene (WASH) services</td>
<td>Yes</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other</td>
<td>Yes</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

**Target reference number**
Target 1

**Category of target**
Water withdrawals

**Target coverage**
Company-wide (direct operations only)

**Quantitative metric**
Reduction in total water withdrawals

**Year target was set**
2017

**Base year**
2017

**Base year figure**
2.3

**Target year**
2025

**Target year figure**
2.07

**Reporting year figure**
2.2

**% of target achieved relative to base year**
43.4782608695651

**Target status in reporting year**
Underway

**Please explain**
Our target is to achieve a 10% water reduction from 2017 by 2025 on a per restaurant average basis (megalliters/restaurant). Reported water data for this target is therefore on a per restaurant basis. The target covers all global equity markets and data is acquired via our international market surveys on an annual basis. The baseline average has not been adjusted for the 2020 acquisition of Habit Burger Grill as data is not available for the baseline year.

**Target reference number**
Target 2

**Category of target**
Water, Sanitation and Hygiene (WASH) services

**Target coverage**
Company-wide (direct operations only)

**Quantitative metric**
Increase in the proportion of local population using safely managed sanitation services, including a hand-washing facility with soap and water around our facilities and operations

**Year target was set**
2021

**Base year**
2021
Please explain

Yum! Brands requires clean water for drinking, cooking and cleaning purposes, adequate facilities for excreta purposes, solid waste management and drainage, and general hygiene purposes. This requirement is built into the design of restaurants as well as into operational requirements. Employees also are educated to follow hygiene requirements. Our continuous goal is to remain compliant with all food safety and sanitation requirements, which we have continued to monitor and improve upon since our inception. Restaurants must have reliable water resources and WASH facilities to operate, therefore this goal covers 100% of our restaurants.

Our goal is to ensure all restaurants have WASH facilities in place. We monitor and make progress by incorporating WASH facilities into new restaurant design standards; implementing our Food Safety Facilities and Equipment Standards; and through regular audits conducted by our Quality Assurance teams in the restaurants.

We have an excellent record of maintaining access to WASH services within our operations. In 2022, 100% of our restaurants had WASH resources in place.

Please note that this target was first established in 2002 and we continue to maintain this goal as part of our sustainability strategy. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021) and the target year as the reporting year (2022). For the purposes of this disclosure, the year that the target was set is reported the same as the base year to reflect the rolling basis of target tracking. Target-related metrics reported for this goal reflect the number of restaurants that achieved our target within the reporting year.

**Target reference number**

Target 3

**Category of target**

Water pollution

**Target coverage**

Company-wide (direct operations only)

**Quantitative metric**

Other, please specify (Maintain safe disposal of generated fats, oils, and grease (FOG) through no reported environmental violations.)

**Year target was set**

2021

**Base year**

2021

**Base year figure**

0

**Target year**

2022

**Target year figure**

55361

**Reporting year figure**

55361

**% of target achieved relative to base year**

100

**Target status in reporting year**

Achieved

Please explain

As a result of cooking and cleaning activities, most restaurants generate fats, oils, and grease (FOG) that have the potential to enter the wastewater system. These result from food scraps, cooking oil residue, butter, margarine, and dairy products. We follow all regulatory requirements for the handling of FOG generated by restaurants.

To reduce the discharge of FOG into wastewater systems our restaurants are designed with sector-specific processes and equipment. One of the most common is the whole restaurant in-ground grease interceptor which collects FOG. These interceptors are regularly inspected and cleaned by a waste hauler according to manufacturer and municipal requirements. Restaurants also use resource recovery. Used cooking oil from fryers is collected and stored separately for removal and recycling. Employees responsible for this are trained.

In 2022 there were no reported violations within corporate operations.

Please note that this target was first established in 2002 and we continue to maintain this goal as part of our sustainability strategy. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021) and the target year as the reporting year (2022). For the purposes of this disclosure, the year that the target was set is reported the same as the base year to reflect the rolling basis of target tracking. Target-related metrics reported for this goal reflect the number of restaurants that achieved our target within the reporting year.

**Target reference number**

CDP
Target 4

Category of target
Other, please specify (Watershed protection)

Target coverage
Company-wide (direct operations only)

Quantitative metric
Other, please specify (Percentage of palm oil procured from sustainable sources based on metric tons)

Year target was set
2021

Base year
2021

Base year figure
0

Target year
2022

Target year figure
100

Reporting year figure
96

% of target achieved relative to base year
96

Target status in reporting year
Underway

Please explain
Our public commitment is to source 100% of the palm oil products used for cooking from responsible and sustainable sources, which provides benefits in reducing deforestation and improving watershed health. We started this journey in 2015. Our Sustainable Palm Oil Policy gives preference to third-party certification provided by the Roundtable on Sustainable Palm Oil (RSPO).

In 2022, 96% of palm oil used for cooking was RSPO-certified sustainable palm oil as estimated from our suppliers and business units’ self-reporting from our global survey. From 2019 through 2021, we met our goal of sourcing 100% in support of sustainable palm oil. In 2022, volatile markets and disruptions, especially from global conflicts, created significant challenges and slightly reduced our use of RSPO-certified palm oil. Still, our supply chain and sustainability teams remain dedicated to partnering with suppliers on this commitment.

Please note that this target was first established in 2015 and we continue to maintain this goal as part of our sustainability strategy. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021) and the target year as the reporting year (2022). For the purposes of this disclosure, the year that the target was set is reported the same as the base year to reflect the rolling basis of target tracking. Target-related metrics reported for this goal reflect the percentage of certified palm oil within the reporting year in relation to our target.

Target reference number
Target 5

Category of target
Other, please specify (Watershed protection)

Target coverage
Company-wide (direct operations only)

Quantitative metric
Other, please specify (Percentage of fiber procured from sustainable sources based on metric tons)

Year target was set
2021

Base year
2021

Base year figure
0

Target year
2022

Target year figure
100

Reporting year figure
70

% of target achieved relative to base year
70

Target status in reporting year
Underway

Please explain
Our public goal is to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources. We started this journey in 2014. This goal was chosen because Yum! sources a large volume of paper-based packaging and we are committed to using environmentally preferable packaging that reduces our
impact on the environment and communities where we operate.

Our public policy gives preference to suppliers who provide paper packaging certified by a third-party who meets the most rigorous forest management standards, which is FSC. We also accept PEFC and SFI certifications. Levels of traceability vary according to certification and region. Yum! Sustainable sourcing policies and principles are intended to mitigate our impact on climate change and watersheds by reducing deforestation relating to the timber that we source.

As of 2022, 70% of paper-based packaging was sourced from certified sustainable sources. Percentage of target achieved is estimated based on market self-reporting from our global survey.

Please note that this target was first established in 2014 and we continue to maintain this goal as part of our sustainability strategy. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021) and the target year as the reporting year (2022). For the purposes of this disclosure, the year that the target was set is reported the same as the base year to reflect the rolling basis of target tracking. Target-related metrics reported for this goal reflect the percentage of certified fiber within the reporting year in relation to our target.

---

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

<table>
<thead>
<tr>
<th>Disclosure module</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>W1 Current state</td>
<td>Our 2022 water withdrawal volumes for equity restaurants have been verified by an independent third-party accountant in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Relevant questions including these verified volumes are W1.2b and W1.2h. Please note that the scope of this disclosure includes both equity restaurants and offices for 2022. Our verified water withdrawal volume for equity restaurants is 2,249.89 megaliters, comprising approximately 95% of total water withdrawals for 2022.</td>
<td>Other, please specify (Attestation standards established by AICPA: AT-C 105 with AT-C 210 for Review Engagements)</td>
<td>Our 2022 water withdrawal volumes for equity restaurants have been verified by an independent third-party accountant in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Relevant questions including these verified volumes are W1.2b and W1.2h. Please note that the scope of this disclosure includes both equity restaurants and offices for 2022. Our verified water withdrawal volume for equity restaurants is 2,249.89 megaliters, comprising approximately 95% of total water withdrawals for 2022.</td>
</tr>
</tbody>
</table>

---

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

<table>
<thead>
<tr>
<th>Plastic mapping</th>
<th>Value chain stage</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Supply chain</td>
<td>At Yum!, we believe in taking a more circular approach when it comes to sustainable packaging and waste reduction. We recognize that we have an important role to play in tackling these critical issues both in the food industry and beyond. As a food company, we do not produce plastics, however, we do use them in our packaging. Our aspiration is to grow sustainability and in doing so minimize our environmental impact by reducing plastic waste. Each year we survey our plastic packaging supply chain to better understand our global environmental footprint. Given the size, complexity, and diversity of our franchise system, we continue to refine our processes. All results are directionally, based on available information for the reporting year. We look forward to continuing working with franchisees and suppliers in the evaluation of our plastics supply chain mapping.</td>
</tr>
</tbody>
</table>

---

W10.2
(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

<table>
<thead>
<tr>
<th>Impact assessment</th>
<th>Value chain stage</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Yes</td>
<td>Supply chain</td>
<td>At Yum!, we believe in taking a more circular approach when it comes to sustainable packaging and waste reduction. We recognize that we have an important role to play in tackling these critical issues both in the food industry and beyond. As a food company, we do not produce plastics, however, we do use them in our packaging. Our aspiration is to grow sustainability and in doing so minimize our environmental impact by reducing plastic waste. Each year we survey our plastic packaging supply chain to better understand our global environmental footprint. Given the size, complexity, and diversity of our franchise system, we continue to refine our processes. All results are directionally, based on available information for the reporting year. We look forward to continuing working with franchisees and suppliers in the evaluation of our plastics supply chain mapping.</td>
</tr>
</tbody>
</table>

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, please provide details.

<table>
<thead>
<tr>
<th>Risk exposure</th>
<th>Value chain stage</th>
<th>Type of risk</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Yes</td>
<td>Supply chain</td>
<td>Regulatory</td>
<td>Yum! has a long history of focusing on the sustainability of its packaging as a key business initiative, evidenced by our shift to more sustainable materials, designing packaging to reduce waste and managing the impact of waste on communities and the planet. In July 2022, Yum! took a significant step forward by publishing a new harmonized packaging policy, building upon Taco Bell and KFC’s existing packaging goals. This policy provides a single aspiration for all of our brands to work towards. The health and environmental risks of certain ubiquitous substances (including per- and polyfluoroalkyl substances (PFASs)) commonly found in packaging have been the subject of increased regulatory scrutiny and lawsuits against other restaurant companies. Any reporting linking our or our Concepts’ franchisees’ restaurants, our suppliers or distributors or otherwise involving the types of products used at our restaurants, or linking our competitors, suppliers, distributors or the retail food industry generally, to instances of food- or beverage-borne illness or food safety issues or substances having perceived health or environmental risks could result in adverse publicity and otherwise adversely affect us and possibly lead to product liability claims, litigation, governmental investigations or actions and damages.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reputational</td>
<td>There has been an increased focus, including from investors, the public and governmental and nongovernmental authorities, on social and environmental sustainability matters, such as packaging. We are and may become subject to changing rules and regulations promulgated by a number of governmental and self-regulatory organizations with respect to social and environmental sustainability matters. These changing rules, regulations and stakeholder expectations have resulted in, and are likely to continue to result in, an increase in expenses and management focus associated with satisfying such regulations and expectations.</td>
</tr>
</tbody>
</table>

(W10.4) Do you have plastics-related targets, and if so, what type?

<table>
<thead>
<tr>
<th>Targets in place</th>
<th>Target type</th>
<th>Target metric</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Yes</td>
<td>Plastic polymers</td>
<td>Eliminate problematic and unnecessary plastic packaging</td>
<td>In Yum’s most recent materiality assessment, “Packaging” was identified as one of the top material ESG topics for the Company, representing a high priority area within our sustainability strategy, and one that is discussed at various levels within the organization including the Board, YUM executive team, ESG Council, brand leadership teams and sustainability working groups.</td>
</tr>
<tr>
<td></td>
<td>Plastic packaging</td>
<td>Reduce the total weight of virgin content in plastic packaging</td>
<td>In July 2022, Yum took a significant step forward by publishing a new harmonized packaging policy, building upon Taco Bell and KFC’s existing packaging goals. This policy provides a single aspiration for all of our brands to work towards.</td>
</tr>
<tr>
<td></td>
<td>Waste management</td>
<td>Increase the proportion of plastic packaging that is recyclable in practice and at scale</td>
<td>We believe in taking a more circular approach when it comes to sustainable packaging and waste reduction. Plots in several markets will help YUM determine next steps in this area with the goal to expand further across the brands.</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>Increase the proportion of recyclable plastic packaging that is reusable</td>
<td>In 2018, Yum joined the NextGen Consortium, a multi-year consortium that addresses single-use food packaging waste globally by advancing the design, commercialization, and recovery of food packaging alternatives. YUM extended its support partnership of NextGen for another three years in 2021. As a supporting partner, we continue to collaborate with other companies to help advance foodservice packaging solutions that are recoverable across global infrastructures, including exploring ways to design and commercialize recoverable-to-go cups.</td>
</tr>
<tr>
<td></td>
<td>Other, please specify</td>
<td>Remove Styrofoam and Expanded Polystyrene (EPS); Conduct assessment to better understand areas where more recyclable content can be included; Removing added PFAS, Phthalates and BPA from packaging</td>
<td>Also in 2022, Yum became a sponsor of the Reuse Refill Action Forum, and sat on the advisory panel for the Food Service Group. The Reuse and Refill Action Forum has representation across multiple sectors including industry, activism, finance, academia, government, and more, with the common goal of making productive progress on implementing and scaling reuse and refill systems.</td>
</tr>
</tbody>
</table>

(W10.5) Indicate whether your organization engages in the following activities.

<table>
<thead>
<tr>
<th>Activity applies</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production of plastic polymers</td>
<td>No</td>
</tr>
<tr>
<td>Production of durable plastic components</td>
<td>No</td>
</tr>
<tr>
<td>Production / commercialization of durable plastic goods (including mixed materials)</td>
<td>No</td>
</tr>
<tr>
<td>Production / commercialization of plastic packaging</td>
<td>No</td>
</tr>
<tr>
<td>Production of goods packaged in plastics</td>
<td>No</td>
</tr>
<tr>
<td>Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)</td>
<td>Yes</td>
</tr>
</tbody>
</table>
(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

<table>
<thead>
<tr>
<th>Plastic packaging sold</th>
<th>Raw material content percentages available to report</th>
<th>% virgin fossil-based content</th>
<th>% virgin renewable content</th>
<th>% post-industrial recycled content</th>
<th>% post-consumer recycled content</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plastic packaging used</th>
<th>Raw material content percentages available to report</th>
<th>% virgin fossil-based content</th>
<th>% virgin renewable content</th>
<th>% post-industrial recycled content</th>
<th>% post-consumer recycled content</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>108084</td>
<td>% virgin fossil-based content % virgin renewable content % post-industrial recycled content % post-consumer recycled content</td>
<td>0.1</td>
<td>13</td>
<td>2</td>
<td>(Not Applicable)</td>
<td>Each year we survey our plastic packaging supply chain to better understand our global environmental footprint. Given the size, complexity, and diversity of our franchise system, we continue to refine our processes. All results are directionally, based on available information for the reporting year. We look forward to continuing working with franchisees and suppliers in the evaluation of our plastics supply chain mapping.</td>
</tr>
</tbody>
</table>

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

<table>
<thead>
<tr>
<th>Plastic packaging sold</th>
<th>Percentages available to report the circularity potential</th>
<th>% of plastic packaging that is technically recyclable</th>
<th>% of plastic packaging that is recyclable in practice at scale</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plastic packaging used</th>
<th>Percentages available to report the circularity potential</th>
<th>% technically recyclable % recyclable in practice and at scale</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td>(Not Applicable)</td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this question in the current reporting cycle, we considered plastics recyclable in practice and at scale as resin types 1 and 2 as well as type 5 if white or clear in color and generated in the United States. For the purposes of this report, we included all type 5 as technically recyclable. Recyclability is highly dependent on local infrastructure. Each year we survey our plastic packaging supply chain to better understand our global environmental footprint. Given the size, complexity, and diversity of our franchise system, we continue to refine our processes. All results are directionally, based on available information for the reporting year. We look forward to continuing working with franchisees and suppliers in the evaluation of our plastics supply chain mapping.

W11. Sign off

W-FI

(W-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.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 Chief Executive Officer (CEO)</td>
<td>Chief Executive Officer (CEO)</td>
</tr>
</tbody>
</table>
Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>Please select your submission options</th>
<th>I understand that my response will be shared with all requesting stakeholders</th>
<th>Response permission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td></td>
<td>Public</td>
</tr>
</tbody>
</table>

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.
Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below

I have read and accept the applicable Terms