



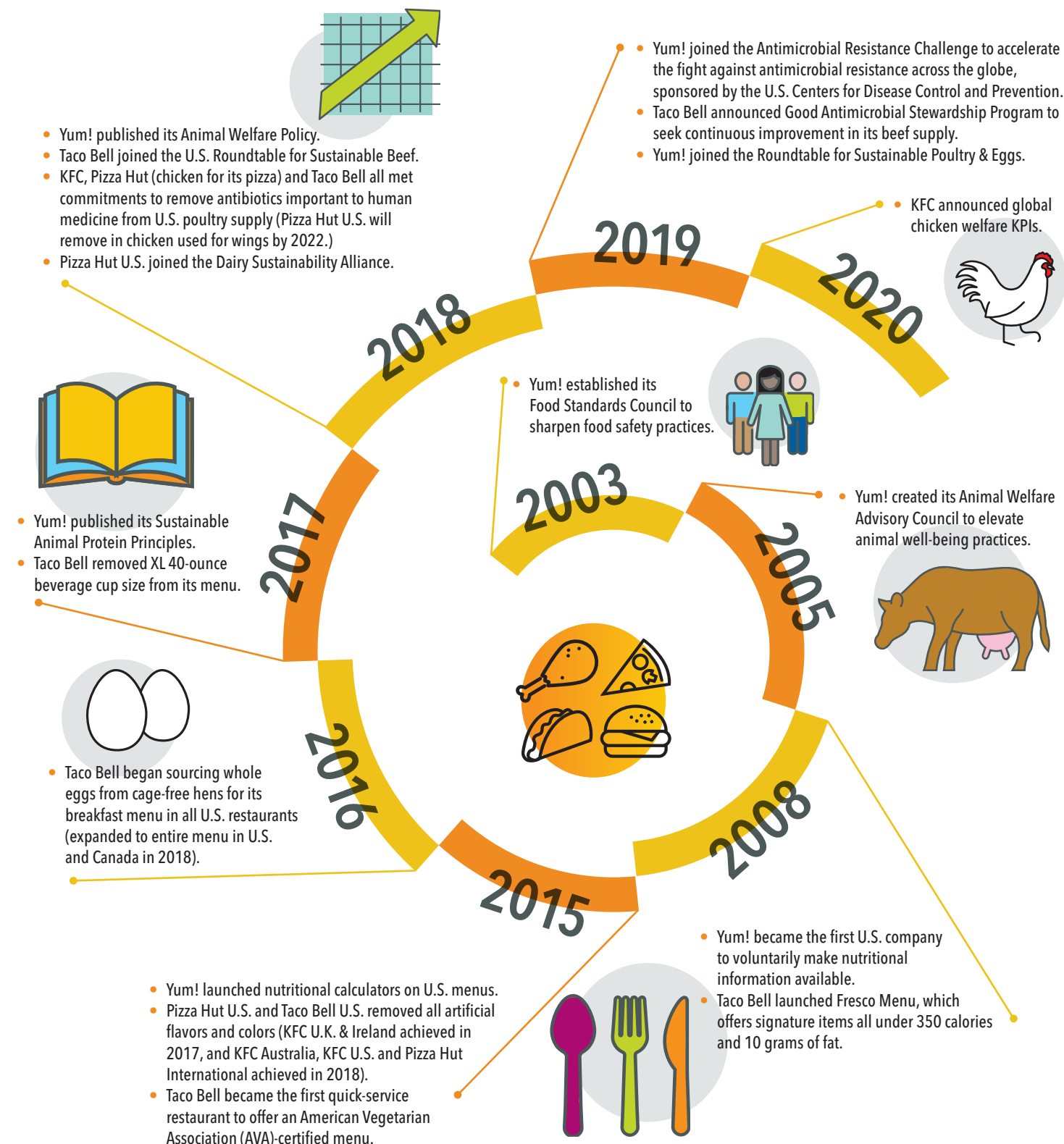
FOOD

We Serve Food People Trust

We have an unwavering commitment to serve food that people trust. That means going above and beyond when it comes to food safety, listening and responding to customers' evolving preferences and improving the nutritional value of our menu items.



Our Food Journey



RECIPE NOTES

Building Upon Our Safety Strengths



with Mary Weaver,
Yum! Chief Food Safety & Quality Assurance Officer



Q: How has Yum!'s approach to food safety evolved over the past year?

A: We've made significant investments in technology, including a food safety and quality management system that provides real-time, global transparency on the status of all of our food and packaging suppliers. These improvements allow us to quickly visualize performance, measure risk, as well as respond quickly to supply chain disruptions, which was critical during the COVID-19 pandemic.



We also transitioned from a compliance to a risk-based approach when assessing our suppliers. That is, rather than scoring suppliers with a "pass" or "fail," we assign them a tiered ranking. We then provide a path to achieve the level of performance necessary to be a Yum! supplier.

Q: What are the benefits of this risk-based approach?

A: From Yum!'s standpoint, prioritizing continuous improvement has made us more efficient because it requires us to develop existing suppliers rather than continually searching for new ones. It also brings lasting benefits to our suppliers, particularly for small businesses and those in countries that don't yet have established supply chains. Meeting Yum!'s global standards often qualifies them to serve as a vendor to other large businesses, which, in turn, helps grow economies throughout the world.

Q: How did Yum! maintain high levels of safety in restaurants during the COVID-19 outbreak?

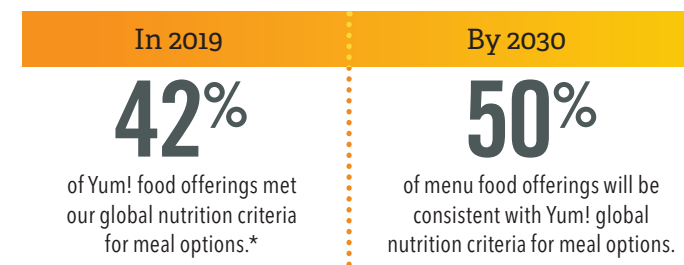
A: A foundation of strong food safety processes and procedures, many of which go beyond global regulations, helped us respond quickly and effectively. For example, restaurant employees globally have been using hand sanitizer after hand washing for years. Our relationships for sourcing hand sanitizer – and internal culture regarding its use – made it fairly seamless for us to expand sanitation procedures and increase requirements for personal protective equipment.

At the same time, I've seen a level of cross-functional engagement and collaboration unlike ever before. New processes that once took months to implement were adopted in hours or days. I attribute this to Yum!'s culture of believing in all people, which I've seen from our executive team to franchisees and RGMs. Keeping our shared focus on what's important – the safety of our team members and guests – has guided us to make the right decisions throughout this crisis.

Balanced Choices

We continue to be transparent and improve the nutritional value of our food. In line with Yum!'s global nutrition standards, we're committed to providing consumers with more access to balanced food choices that meet their lifestyles and dietary preferences and are less processed or modified. Our recent efforts have focused on collecting data to help inform our work when it comes to offering more balanced choice and where we can make improvements.

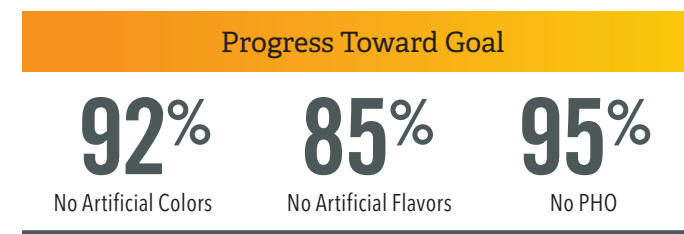
NUTRIENTS WE ENCOURAGE



*Yum! seeks to use calories as the primary measurement within our nutrition criteria to drive improvements and align with the World Health Organization and the Dietary Guidelines for Americans, and is consistent with the 1/3 Recommended Daily Allowance. To align with these guidelines, Yum!'s global nutrition criteria is: a side item at 200 calories, a main item at 400 calories, and a combo/meal at 750 calories.

NUTRIENTS WE LIMIT

We've been simplifying our ingredients for years and have made steady progress towards our goal to remove artificial colors and flavors and partially hydrogenated oils (PHO) by 2020.* There's still more work to do, but we are proud of our progress to date.



We are pursuing a goal to reduce sodium across our global menu portfolios, consistent with Yum!'s global nutrition criteria, to continue to improve our food's nutrition, with plans to share progress in 2021.

*Except beverages, co-branded items and off-the-shelf items.

Taco Bell is making progress toward two goals announced in 2019. The first is a commitment to offering at least 50% of its medium fountain beverages at 100 calories and 20 grams of sugar or less by 2022. To reach this goal, the brand has removed extra-large, 40-ounce soda cups and added zero-sugar versions of two of its most popular beverages. Pepsi Zero Sugar and Mountain Dew Baja Blast Zero Sugar are now available across the U.S. With these new additions, over 40% of Taco Bell's medium beverages are 100 calories or less.



Raised Responsibly

We believe we have a responsibility to be a good steward of the animals raised for food throughout our supply chain. Our commitment to animal health and well-being is steadfast and guided by our holistic, science-based [Sustainable Animal Protein Principles](#). Additionally, we support the [Five Freedoms](#) for all animals used for food in our supply chain.



ANTIBIOTICS

We continue [our commitments](#) to reduce antibiotics important to human medicine in our food production.

In 2019, Taco Bell pledged to reduce antibiotics important to human health in its U.S. and Canada beef supply chain,

25% by 2025

This [new policy](#) around Taco Bell's dominant menu protein, beef, will better protect human, animal and environmental health. As part of this new policy, Taco Bell will give preference to suppliers that are making measured reductions in their use of antibiotics, increasing veterinary oversight when it is required to medically treat sick animals and participating in the Beef Quality Assurance system. While we do not expect to have quantitative progress to share until 2022, promising work is underway as we engage with U.S. Round Table for Sustainable Beef (USRSB), suppliers, industry groups including the Beef Alliance and National Cattleman's Beef Association, veterinary groups, academic partners and more to address this challenge.

This is in addition to the existing work we have done to date to make progress on our antimicrobial stewardship journey. KFC, Pizza Hut (chicken for its pizzas) and Taco Bell in the U.S. have met public commitments to remove antibiotics important to human medicine from their U.S. poultry supplies. Pizza Hut U.S. is on track to remove antibiotics important to human medicine from chicken used for wings by 2022.

ANIMAL WELFARE

KFC introduced [new global chicken welfare KPIs](#) as a key next step on its animal welfare journey. The KPIs address mobility while chickens are raised, overall chicken health and minimization of medical interventions, chicken mortality, and mental and physical stress. Additionally, KFC U.K. & Ireland published its first annual animal welfare report, described as an honest and open review of its poultry supply chain. The report outlines the seven steps of the audit process and key data capture, which KFC U.K. & Ireland will use as a benchmark to track year-on-year progress and hold themselves and their suppliers accountable as they work toward improving the lives of chicken within the supply chain.

Plant-based & Vegetarian

A trend we've been tracking for several years now is the accelerating shift toward plant-forward eating. Whether out of concerns for the environment, personal health or animal welfare, this lifestyle is now so mainstream that it can no longer be called a trend. From diners who choose exclusively vegan and vegetarian options, to flexitarians who enjoy a meat-free meal every now and then, KFC, Pizza Hut, Taco Bell and The Habit Burger Grill are responding to today's preferences with menu items for everyone. Here are a few examples from our brands in the world of plant-based foods:



KFC is offering finger lickin' good flavor without the meat in partnership with leading plant-based meat suppliers like Beyond Meat and Quorn. Following successful pilots in the U.S., U.K., Canada and elsewhere, the brand plans to expand these options in the years to come.



Taco Bell's American Vegetarian Association (AVA)-certified menu has individual ingredients that can be customized in nearly one million ways, including 36 vegetarian ingredients, 26 of which are also vegan. All AVA-certified vegetarian items are indicated by an easy-to-spot vegetarian green "V" symbol on menu boards.





In Finland and Spain, Taco Bell launched the "Oatrageous Taco," made with an oat-based protein, to continue meeting the evolving preferences of customers around the world.



Pizza Hut U.K. has offered Violife vegan cheese pizza since 2017 – and in 2020, took it to the next level with vegan Stuffed Crust. In Australia, Pizza Hut launched a Pizzatarian campaign. The brand has also tested vegan pizza in China, Poland and Puerto Rico through a partnership with Beyond Meat. In the U.S., Pizza Hut conducted a limited test of a pizza featuring Incogmeato by MorningStar Farms Italian sausage.



FOOD 2019 Performance Summary

	Goal	Status
Food Safety	Maintain the safest, highest-quality food supply and preparation in the industry.	Through food safety audits, provide restaurant team member training on employee health, product handling, ingredient and product management and prevention of cross-contamination.
	Build on Yum! supplier audit track record and assess 100% of Tier 1 suppliers annually by 2021.	Since 2016, Yum! has conducted more than 367,000 restaurant food safety audits. 
Balanced Choices	Offer lower-calorie menu options across main dishes, combos and sides, consistent with Yum!'s global nutrition standards that align with the World Health Organization and the Dietary Guidelines for Americans, to continue to improve our food's nutrition. By 2030, we intend to represent 50% of menu food offerings to be consistent with Yum! global nutrition criteria for meal options.	 In 2019, Yum! reported that it was 84% of the way to meeting its goal.
	Provide consumers with convenient access to food information regarding menu labeling and allergens.	Continue publishing online nutrition calculators for all three brands' U.S. menus and providing consumers with convenient access to allergen and nutrition information.
	Offer plant-forward product innovation to meet the lifestyle choices of consumers.	<ul style="list-style-type: none"> Taco Bell U.S. launched "Veggie Mode" which transforms the entire menu into vegetarian options. Expanded plant-based tests at KFC, Pizza Hut and Taco Bell brands around the world.
	Continue clean label efforts to remove artificial colors, flavors and partially hydrogenated oils (PHOs) where possible from core food ingredients by 2020.	<ul style="list-style-type: none"> Removed 92% of artificial coloring Removed 85% of artificial flavors Removed 95% of PHOs
Raised Responsibly	Reduce sodium across menu options, consistent with Yum!'s global nutrition standards, to continue to improve our food's nutrition. We plan to share progress in 2021.	On average, Taco Bell has reduced sodium across its menu by 23% since 2008, with a target goal of 25% by 2025. 
	Be a good steward of the animals raised for food throughout our supply chain.	 <ul style="list-style-type: none"> KFC, Pizza Hut (chicken for its pizzas) and Taco Bell in the U.S. have met public commitments to remove antibiotics important to human medicine from our U.S. poultry supply. Pizza Hut U.S. is on track to remove antibiotics important to human medicine from chicken used for wings by 2022. Taco Bell aims to reduce antibiotics important to human health in its U.S. and Canada beef supply chain by 25% by 2025 and plans to share progress in 2022. Continuing to engage with beef suppliers to gather data and educate about commitments.
Responsible Marketing	Seek continuous improvements in sustainable production systems that protect human, animal and environmental health as stated in our holistic Sustainable Animal Protein Principles & Good Antimicrobial Stewardship Program.	<ul style="list-style-type: none"> KFC introduced new global chicken welfare KPIs as a key step on its animal welfare journey. Taco Bell U.S. continues to source 100% cage-free eggs and egg ingredients in the U.S. and Canada.
	Promote transparency about our food through responsible labeling and advertising practices in our restaurants and beyond.	Limit marketing communications to children under 12. Yum! Brands follows U.S. and international guidelines to avoid marketing to children.