# YUM! BRANDS HUMAN RIGHTS & KEY SUPPLY CHAIN COMMITMENTS POLICY

At Yum!, our core values drive us to lead with smart, heart and courage and make the world better. That means maintaining a work environment that respects, supports and promotes human rights for all of our employees, suppliers and local communities where we operate around the world. They're grounded in our <u>Worldwide Code of Conduct</u> and guided by international human rights principles.

## BASIC TENANTS OF OUR HUMAN RIGHTS PRACTICES INCLUDE:

- We do not employ underage children or forced laborers.
- We prohibit physical punishment or abuse.
- We respect the right of all employees to associate or not to associate with any group as permitted by applicable laws and regulations.
- We require compliance with all local labor laws in every market where we operate.
- We promote protect and help ensure the equal rights of all persons, including minorities, women and those with disabilities.
- We partner with stakeholders to collect input and help guide our human rights efforts.

We hold the same expectations of ethical, legal and socially responsible business practices for our suppliers globally and require that they maintain all industry specific standards and regulations, in addition to those in our <u>Supplier Code of</u> <u>Conduct</u>. Key topics include:

- Working Hours and Conditions. Suppliers are expected to provide their employees with safe and healthy working conditions and reasonable daily and weekly work schedules.
- **Non-Discrimination.** Suppliers should follow all laws prohibiting discrimination in hiring and employment on the grounds of race, religion, color, age, disability, genetic information, military or veteran status, sexual orientation, gender, gender identity and/or expression, citizenship, national origin or any other legally protected status.
- Child Labor. Suppliers should not use workers under the legal age for employment. In no event should suppliers use employees younger than 14 years of age.
- Forced and Indentured Labor. No supplier should perform work or produce goods for Yum! Brands using labor under any form of indentured servitude, nor should threats of violence, physical punishment, confinement or other form of physical, sexual, psychological or verbal harassment or abuse be used as a method of discipline or control.
- Notification to Employees. To the extent required by law, suppliers should establish company-wide policies implementing the standards outlined in the Supplier Code of Conduct and post notices of those policies for their employees. The notices should be in all languages necessary to fully communicate the policy to employees.

We've also made commitments in key areas of our supply chain that reinforce the importance of having leading human rights practices in place including the <u>Fair Food Standards Council</u> and as a member of the <u>Roundtable for Sustainable</u> <u>Palm Oil (RSPO)</u>.

### **VEGETABLES & FRESH PRODUCE:**

- In 2005, Taco Bell and the <u>Coalition of Immokalee Workers</u> (CIW) announced a groundbreaking agreement to directly increase the wages paid to, and the working conditions of, Immokalee workers picking tomatoes supplied to Taco Bell restaurants. One year later, the program expanded to include KFC and Pizza Hut. Yum! was proud to take a leadership role and be part of the solution to better the lives of the CIW. Engagement from the broader industry soon followed.
- In 2011, CIW launched the <u>Fair Food Program</u>, a unique partnership among farmers, farmworkers and retail food companies that ensures humane wages and working conditions for the workers who pick fruits and vegetables on participating farms. Today, the program is a leading example of worker-driven social responsibility with third-party oversight.





#### PALM OIL:

Under the RSPO criteria, palm oil produced requires certification guidelines that support and align with a number of global human rights and social conventions including:

- The UN Guiding Principles on Human Rights (2011), principles 11 through 24
- ILO Conventions on Forced Labor (1930) and on the Rights of Indigenous Peoples (2007)

#### DRIVING SUPPLIER ACCOUNTABILITY

We require suppliers to conduct audits and inspections to verify compliance with our <u>Worldwide Code of Conduct</u>. In addition, we reserve the right to conduct unannounced assessments, audits and inspections of supplier facilities. Violations lead to disciplinary action, including termination of the supplier relationship for repeated violations or noncompliance.

#### **RAISING CONCERNS**

Any person, employee or not, who has ethical concerns is encouraged to report them safely and anonymously. An independent third party operates a 24/7 ethics hotline on our behalf. Additionally, the Audit Committee of our board has established additional procedures for complaints and concerns of associates regarding accounting and auditing matters, including the confidential or anonymous submission of such complaints or concerns. More details on these procedures can be found <u>here</u>.

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