

OUR RECIPE FOR  
**GOOD**

# SERVING UP MORE GOODNESS

Yum!



## 2018 Global Citizenship & Sustainability Progress Update



# 2018 SERVING UP MORE GOODNESS

## A Message From Greg Creed



As a global citizen, Yum! Brands believes in acting responsibly as we grow KFC, Pizza Hut and Taco Bell restaurants around the world. We use our Recipe for Good as a roadmap to guide our business practices concerning our food, planet and people. I couldn't be more excited to share our 2018 Global Citizenship & Sustainability Progress Update, highlighting our recent announcements and commitments.

**"We have made tremendous progress over the past year advancing our Recipe for Good agenda to drive socially responsible growth and manage risk."**

From working to remove antibiotics important to human medicine in our protein supply chain to expanding our deforestation commitments to progressing our work around diversity and inclusion, we are leveraging our scale to help address key societal issues. We will continue to partner with our employees, franchise owners and suppliers, together serving up more goodness to our customers, shareholders, communities and the planet.

I hope you enjoy learning more about our efforts to make the world better.

Cheers,

**GREG CREED**

Chief Executive Officer  
Yum! Brands, Inc.

### YUM! AT A GLANCE 2018

**140+** Countries & Territories



**48,000+**

Restaurants

**98%**

Franchised



**1.5+**  
MILLION

Franchise System  
Employees



**\$5.69**

BILLION  
Total Revenue

**20,000+**

Restaurants in  
Emerging Markets

# CITIZENSHIP



At Yum!, we are committed to being a good corporate steward. Our mindset to make the world better is grounded in our [Global Citizenship & Sustainability Strategy](#), called our Recipe for Good. We continue to focus on the sustainable stewardship of our food, planet and people to drive socially responsible growth and mitigate our business risk. We are committed to sharing progress with, and providing transparency for, our stakeholders including employees, customers, franchisees, shareholders and communities.

## Strategy & Governance

As a global franchisor with three iconic brands and more than 1.5 million franchise system employees, we know how important it is to align our organization with our goals and drive progress in the areas of food, planet and people. We continue to focus on the priority issues identified in our most recent Enterprise Risk Management assessment, in addition to those in our most recent [materiality assessment](#) including climate change, deforestation, plastics and packaging, and diversity and inclusion.

Under the leadership of Jerilan Greene, Yum! chief communications and public affairs officer, and Jon Hixson, Yum! vice president of global government affairs and sustainability, we are mobilizing internal stakeholders to keep advancing our sustainability agenda. From our executive leadership to functional leads in our global markets, we believe that everyone in our system plays an important role.

In addition to engaging internal stakeholders, we also updated key internal global governance documents including the [Yum! Global Employee Code of Conduct](#) and the [Yum! Supplier Code of Conduct](#). You can view the full list of our current policies and positions [here](#).

Regular reporting continues to be the primary way we share our progress and show transparency around our environmental, social and governance (ESG) practices. We participate in comprehensive voluntary disclosures annually including the [Bloomberg Gender Equality Index](#), [CDP Climate](#), [Forests](#) and [Water](#), the [Dow Jones Sustainability Index \(DJSI\)](#) and the [Roundtable on Sustainable Palm Oil \(RSPO\) Annual Communication of Progress](#).

We also continue to address the [United Nations Sustainable Development Goals](#) that are closely related to our material areas of impact including Zero Hunger, Quality Education, Gender Equality, Responsible Consumption and Production, and Climate Action.

## Stakeholder Engagement

Honest and regular engagement with our stakeholders continues to be a key element of our Global Citizenship & Sustainability Strategy. We identified employees, customers, franchisees, shareholders and communities as our [priority stakeholders](#). Listening to them provides us with important insight into food and industry trends and concerns around topics such as animal welfare, climate change and supply chain risks.

Working with organizations that have shared interest when it comes to the areas that are most material to our business helps us address industry challenges, opportunities and public policy issues. Key partnerships include:

- [Dairy Sustainability Alliance](#)
- [NextGen Consortium](#)
- [RSPO](#)
- [U.S. Roundtable on Sustainable Beef](#)
- [U.S. Roundtable for Sustainable Poultry & Eggs](#)
- [World Wildlife Fund \(WWF\)](#)

Additionally, we have continued to expand our engagement with the WWF. Following a supply chain risk assessment conducted over the past year, we are collaborating to increase the understanding of risk derived from the Brazilian supply chain.

## OUR RECIPE FOR GOOD



**FOOD**  
We Serve Food  
People Trust



**PLANET**  
We Grow  
Sustainably



**PEOPLE**  
We Unlock  
Potential

# OUR RECIPE FOR GOOD

# JOURNEY



1984

Pizza Hut created the BOOK IT! Program, the longest-running corporate supported reading program

1992

Established the world's first prepared food donation program called Harvest



2005

Created Animal Welfare Advisory Council to continue elevating animal well-being practices

2006

Set first energy conservation goal



2008

- Published first Corporate Social Responsibility Report
- Became first company to announce voluntary placement of product calorie information on menu boards
- Became member of United States Green Building Council (USGBC)

2003

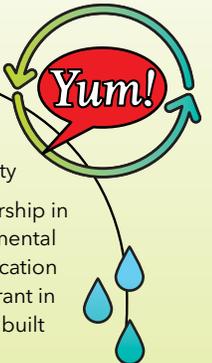
Established Food Standards Council to continue sharpening food safety practices

2007

Introduced Achieving Breakthrough Results leadership training program

2009

- Created Yum! Office of Sustainability
- Achieved first Leadership in Energy and Environmental Design (LEED) certification for first green restaurant in Northampton, Mass. built in 2008



2014

- Set first paper-based packaging goal
- Introduced Yum! Blueline green building standards

2012

Published Human & Labor Rights Policy

2016

Joined Roundtable on Sustainable Palm Oil (RSPO)



2015

- Established diversity and inclusion council called Leading Inclusion for Today and Tomorrow (LIFT<sup>2</sup>)
- Awarded inaugural Diverse Supplier of the Year award
- Set first palm oil goal
- Set first operational waste goal
- Achieved goal of 15% energy reduction by 2015 for company restaurants

2010

- Started reporting to CDP Climate (and to CDP Water in 2011 and CDP Forests in 2017)
- Set first water reduction goal



GROW YOURSELF Week



2017

- Conducted first-ever formal materiality assessment
- Published Sustainable Animal Protein Principles
- KFC U.S. announced antibiotics commitments
- Launched innovative employee development program called Grow Yourself Week
- Achieved goal of 10% water reduction and 22% energy and GHG reduction



2018

- Published first-ever investor grade sustainability report
- Published Animal Welfare Policy
- Taco Bell joined the U.S. Roundtable for Sustainable Beef
- Introduced two days of paid time off (PTO) for employee volunteering
- Signed on to the CEO Action for Diversity & Inclusion
- Joined Paradigm for Parity<sup>®</sup> Coalition
- Joined NextGen Consortium



2019

- KFC announced global plastics commitment
- Started exploring how to reduce greenhouse gas (GHG) emissions by setting science-based targets
- Endorsed New York Declaration on Forests (NYDF), expanding deforestation commitments to palm oil, soy, paper and beef
- Opened 34th LEED-certified restaurant



# FOOD

We Serve Food People Trust



We have an unwavering commitment to serve food people trust and give our customers an industry-leading food supply from farm to table. Listening to our customers lets us better understand their needs and what they want in regards to where our food comes from, what goes into it and how it's made. We continue to focus our improvements around animal welfare, antimicrobial stewardship and food safety.



## Enhancing Animal Welfare

Our approach to animal welfare is holistic and a key element to providing our customers with the food they not only love, but can trust. In 2018, we published a new [Global Animal Welfare Policy](#) to further advance our efforts around improvements made from the farm through the supply chain including raising, handling, transportation and processing. As outlined in the policy, ongoing engagement with a range of stakeholders from governments, research institutions and industry animal welfare groups on the poultry, beef, dairy and pork industries remains a priority. We remain on track to develop animal welfare performance indicators by the end of 2020.



## Continuing Good Antimicrobial Stewardship

We continue to make progress on our antimicrobial stewardship journey. KFC U.S. [met its public commitment](#) to remove antibiotics important to human medicine from its poultry supply by the end of 2018. The brand was the first major chicken restaurant in the U.S. to extend its antibiotic commitment to bone-in chicken. Globally, we focus on delivering science-based programs that are locally relevant and compliant.



## Collaborating to Elevate Food Safety

Food safety is of the utmost importance to Yum! and our brands. Strategic partnerships that further elevate best practice sharing in this space are critical to make positive change happen. This is why Yum! engages with groups like the [Alliance on Foodborne Illness](#), a cooperative of foodservice and retail companies dedicated to building awareness, educating the public and encouraging best practice sharing to drive food safety forward industrywide.

Additionally, Taco Bell announced a Good Antimicrobial Stewardship Program to seek continuous improvement in its beef supply and provide consumers with the highest quality beef. Its position supports reductions in antibiotics used in livestock production, with a focus on antibiotics important to human health and reducing antibiotic resistance. Taco Bell's goal is to reduce antibiotics important to human health in its beef supply chain by 25% by 2025. The brand will share progress for this goal beginning in 2022.

We also know that it's important to work with others to drive progress around antimicrobial stewardship. With this in mind, Yum! joined [The Antimicrobial Resistance \(AMR\) Challenge](#), an effort to accelerate the fight against antimicrobial resistance across the globe, sponsored by the United States Centers for Disease Control (CDC).



## TACO BELL RAISES THE BAR ON BEEF

By 2025, Taco Bell will reduce antibiotics important to human health in its beef supply chain by 25%.



# FOOD 2018 PERFORMANCE SUMMARY

	Goal	Status
<b>Food Safety</b>	<p>Maintain the safest, highest-quality food supply and preparation in the industry.</p> <p>Maintain industry-leading, safe, high-quality food supply and customer experience.</p>	<p>Provided restaurant team member training on employee health, product handling, ingredient and product management, and prevention of cross-contamination. Conducted more than <b>265,000</b> restaurant food safety audits between 2016 and 2018 with approximately <b>3,700</b> food safety supplier audits in 2018 alone.</p> 
<b>Choice, Nutrition &amp; Stewardship</b>	<p>Offer lower calorie menu options across main dishes, combos, and sides, consistent with Yum!'s global nutrition standards, to continue to improve our food's nutrition.</p> 	<p>We are currently collecting data when it comes to our work in this area and plan to share a public goal in 2020.</p>
	<p>Reduce sodium across menu options, consistent with Yum!'s global nutrition standards, to continue to improve our food's nutrition.</p> 	<p>We are currently collecting data when it comes to our work in this area and plan to share a public goal in 2020.</p>
	<p>Remove artificial colors and flavors, and preservatives where possible from core food ingredients by 2020.</p> 	<ul style="list-style-type: none"> <li>We estimate that we are currently <b>86%</b> complete in achieving our goal of removing artificial flavors and <b>92%</b> complete in removing artificial coloring from our food ingredients.</li> <li>In early 2019, Taco Bell fully removed the preservative tBHQ from all menu items in the U.S.</li> </ul>
	<p>Remove all partially hydrogenated oils (PHOs) from ingredients by 2020.</p> 	<p>In 2018, we are an estimated <b>96%</b> complete in removing PHOs.</p>
	<p>Continue our commitments to reduce antibiotics important to human medicine in our food production. By 2022, Pizza Hut U.S. plans to remove antibiotics important to human medicine from chicken used for wings. By 2025, Taco Bell will reduce antibiotics important to human health in its beef supply chain by <b>25%</b>.</p> 	<ul style="list-style-type: none"> <li>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.</li> <li>Pizza Hut U.S. is on track to remove antibiotics important to human medicine from chicken used for wings.</li> <li>Taco Bell announced global commitment to reduce antibiotics important to human health in its beef supply.</li> </ul>
<b>Responsible Marketing</b>	<p>Promote transparency about our food through responsible labeling and advertising practices in our restaurants and beyond.</p> <p>Provide consumers with convenient access to food information regarding menu labeling and allergens.</p> <p>Limit marketing communications to children under 12.</p>	<p>Published online nutrition calculators for all three brands' U.S. menus as well as provided consumers with convenient access to allergen and nutrition information.</p>  <p>Followed U.S. and international guidelines to avoid marketing to children.</p>

# PLANET

## We Grow Sustainably

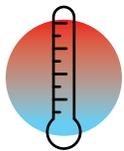


Being a good environmental steward matters to us. With our system opening over eight new restaurants each day on average, we recognize how important it is to use our scale for good and minimize the environmental impact of our restaurants and supply chain. Over the past year, we have made significant progress by expanding our deforestation commitments across the additional commodities of beef and soy, establishing new sustainable packaging goals and reducing greenhouse gas (GHG) emissions.

We endorsed the [New York Declaration on Forests \(NYDF\)](#) and believe it is an important step toward us meeting the private sector goal of eliminating deforestation from the production of agriculture commodities such as palm oil, soy, paper and beef products no later than 2020, and halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030.

Following our 2018 global supply chain risk assessment, we started to deepen our work in preventing deforestation in our supply chains. After expanding our deforestation policy in 2019, we have focused on prioritizing markets and establishing more baseline transparency. Approximately 98% of our beef supply chain comes from origins of lower tropical deforestation risk including Australia, Canada, New Zealand, South Africa and the United States. Less than 2% of the beef in our supply chain comes from Brazil, an origin of higher risk. In regards to soy, approximately 95% of Brazilian feed mills in our supply chain were audited as compliant in aligning with the Amazon Soy Moratorium to help protect tropical forests. We are now taking steps for prioritized actions in key markets. Our engagement with WWF continues with a focus on the Brazil supply chain and includes a landscape analysis and strategic implementation plan to better understand how to deliver on our no deforestation commitments.

There were also several challenges last year in an effort to purchase from suppliers who meet our sourcing principles and are certified by RSPO. As a result, we removed Indofood from our supply chain. We remain committed when it comes to all of our palm oil suppliers meeting our rigorous standards.



## Reducing GHG Emissions

We are committed to energy and climate initiatives to minimize our climate impact. We are pleased that we achieved a CDP Climate score of B with ever-increasing standards. In the last 12 months, we also began an evaluation of our entire Scope 1, 2 and 3 GHG emissions, in accordance with the [Science-Based Targets](#) initiative. This project will help us better understand our footprint, refine GHG reduction targets and identify emission reduction initiatives like renewable energy on the path to setting science-based targets. We will continue to share updates along the way as we identify our approach, goals and timeline.



## Eliminating Deforestation

Yum! has been on a journey to reduce our environmental impact for years, including minimizing deforestation risk. The last year marked significant progress in this area with additional research and expanded policies. In 2018, WWF conducted a global supply chain risk assessment across our food and agriculture, which includes paper and packaging, and procurement. In line with the priorities identified in the risk assessment, we increased our engagement in several key commodities and expanded our deforestation commitments beyond palm and timber, to now include beef and soy.

## CELEBRATING A DECADE OF PROGRESS IN GREEN BUILDINGS



Sustainable restaurant development has been a key element of our sustainability strategy for more than a decade. In 2009, our first green restaurant built in Northampton, Massachusetts, earned Leadership in Energy and Environmental Design (LEED) Gold Certification. Ten years later, we have nearly 35 LEED certified restaurants around the world and celebrate a decade of membership in the United States Green Building Council in support of its LEED program. These foundational green restaurants provided a better understanding to help create our green building program called Blueline that incorporates energy and water conservation measures into thousands of restaurants. As a result of this work GHG emissions equivalent to the yearly release of over 600,000 U.S. homes have been avoided.



## Investing in Sustainable Packaging

We continue to advance our work around sustainable packaging. Yum! joined the [NextGen Consortium](#) as a supporting partner in 2018, alongside other food and beverage brands, industry experts and innovators, to help advance food-service packaging solutions that are recoverable across global infrastructures. The NextGen Consortium marked a major milestone in the search for sustainable packaging solutions with the announcement of the NextGen Cup Challenge winners who participated in the open-source, global challenge and are bringing forward innovative packaging options to positively impact the value chain.

**KFC announced a new global sustainability pledge that all plastic-based, consumer-facing packaging will be recoverable or reusable by 2025.**



The goal supports KFC's long-term plan to implement a more sustainable packaging strategy in its restaurants and builds on progress already made in some markets to eliminate plastic packaging items. In 2019, KFC U.S. will transition out of large side containers made from expanded polystyrene, also known as Styrofoam, and into recyclable and consumer reusable polypropylene containers. This transition represents early and significant progress to meet

the 2025 pledge. Additionally, a recyclable paperboard platter replaced foam plates and other cartons for dine-in and non-buffet customers.

Taco Bell U.S. announced that it started using recyclable cold cups and lids in all restaurants. By 2021, it is committed to making all cups 100% recyclable.

## MARKETS MAKING AN IMPACT



- In China, KFC rolled out reusable serving baskets.
- KFC Singapore launched the No Straw Initiative.
- In Romania, KFC announced the removal of straws.



- Pizza Hut U.K. replaced plastic straws with paper.



- Taco Bell U.S. started using recyclable cold cups and lids.

## PROGRESS ON KEY GOALS IN 2018

### Palm Oil

Goal to source  
**100%**

of palm oil used for cooking from responsible and sustainable sources



**96%**

of cooking oil volume was sustainable palm or palm oil substitutes

**94%**

of palm oil purchased was sustainable

### Paper-based Packaging

Goal to purchase  
**100%**

of our paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2020



**70%**

of fiber came from certified forests or recycled sources





# PLANET 2018 PERFORMANCE SUMMARY

	Goal	Status
<b>Green Buildings</b> Design, build and operate restaurants to be measurably more sustainable using green building standards to drive reductions in energy consumption, water use, greenhouse gas (GHG) emissions and waste.	<b>10%</b> ↓ Reduce average restaurant energy and GHG emissions by an additional <b>10%</b> by the end of 2025.	In 2018, we avoided the release of 740 mtCO <sup>2</sup> e. That is equivalent to removing over <b>150,000</b> passenger vehicles from the road for a year.
	Reduce average restaurant water consumption by an additional <b>10%</b> by the end of 2025 with a focus on high water-stress areas.	Our efforts to reduce water consumption in 2018 saved enough water to fill over <b>2,000</b> Olympic sized swimming pools.
	Divert <b>50%</b> of back-of-house operational waste, measured by weight, generated in our U.S. restaurants by the end of 2020. 	In the U.S. we estimate that we removed <b>914,500 tons</b> of solid material from our restaurants. We avoided disposal of <b>22%</b> of that waste in 2018. Key areas of diversion in our restaurants were corrugated cardboard, used cooking oil, donated food and mixed recyclables.
	Reduce food loss and waste <b>50%</b> by 2030 in accordance with U.S. Food Loss and Waste 2030 Champions.	Yum! Brands and our franchisees donated <b>5.6MM pounds</b> of food in 2018, with <b>23</b> countries participating.
<b>Supply Chain</b> Engage in building a responsible supply chain that protects forests, respects human rights, supports animal welfare and enables good stewardship.	We continue to advance our work around sustainable packaging through impactful brand commitments and strategic partnerships. By 2025, all KFC plastic-based, consumer-facing packaging will be recoverable or reusable globally. By 2021, Taco Bell is committed to all cups being <b>100%</b> recyclable.	<ul style="list-style-type: none"> <li>• KFC announced sustainability pledge that all plastic-based, consumer-facing packaging will be recoverable or reusable.</li> <li>• Taco Bell started using recyclable cold cups and lids in its more than <b>7,000</b> U.S. restaurants.</li> <li>• Yum! joined NextGen Consortium as a supporting partner.</li> </ul>
	Source 100% of palm oil used for cooking from responsible and sustainable sources by the end of 2018.	In 2018, <b>96%</b> of our cooking oil volume was not palm oil or was sustainable palm oil. For the palm oil that our system purchased, approximately <b>94%</b> of that volume was reported to be sustainable palm oil.
	Purchase <b>100%</b> of our paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2020.	In 2018, markets reported an estimated total of <b>70%</b> of fiber came from certified forests or recycled sources.
	Endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agriculture commodities such as palm oil, soy, paper and beef products no later than 2020, and halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030.	<ul style="list-style-type: none"> <li>• Approximately <b>95%</b> of Brazilian feed mills in our supply chain were audited as compliant in aligning with the Amazon Soy Moratorium to help protect tropical forests.</li> <li>• <b>98%</b> of beef sourced from origins of lower risk of tropical deforestation.</li> </ul>
	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.	Published new animal welfare policy in 2018. Reporting metrics to be established by the end of 2020. Continued expansion and reporting of antibiotics progress. 
Serve <b>100%</b> cage-free eggs and source <b>100%</b> cage-free egg ingredients at U.S. and Canada Taco Bell locations. 	We have <b>met these goals</b> and will continue to provide eggs and use egg ingredients that are cage-free at Taco Bell locations in the U.S. and Canada.	

# PEOPLE

We Unlock Potential



Having unrivaled culture and talent is one of our business growth drivers and is more important than ever before with at least 98% of our restaurants owned by franchisees. Developing our people and their capabilities requires an approach that's customized and interactive given the diversified and decentralized structure of our organization. By taking this approach, we are able to unlock potential in our employees and help them make a difference at work, at home and in their communities.



## Advancing Diversity & Inclusion

As a global company, we want to reflect the local communities our restaurants serve around the world. With diverse employees, customers, franchisees and shareholders, we are sharpening our approach to attracting, developing and retaining top diverse talent, and also maintaining a workplace where all people are valued and respected. A key element includes our increased focus on developing inclusion as a leadership competency. Over the past year, we have continued to expand our [Inclusive Leadership](#) program to corporate and franchisee employees.

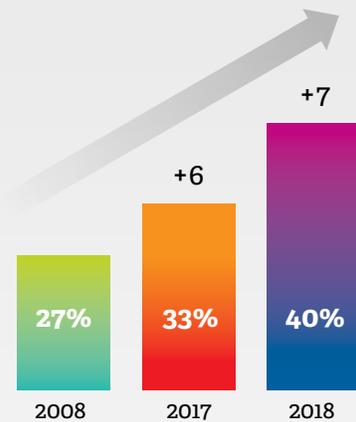
We are proud that more than 50% of our global workforce are women. We also continue our work to advance women into senior roles and achieve gender parity in leadership globally by 2030, in alignment with the [Paradigm for Parity](#)® coalition. In 2018, approximately 40% of global leadership positions were held by women. In fact, we have made more progress in the past 18 months than in the previous 10 years. We have focused our efforts on increasing coaching capability, leaning into sponsorship programs and cultivating top level women talent through events like our first-ever Yum! Women's Leadership Summit. As a result of these efforts, we were named once again to the Bloomberg Gender Equality Index. We are also working to make the same progress when it comes to underrepresented minorities.

Our partnership with the [CEO Action for Diversity and Inclusion](#), the largest CEO-driven business commitment to advance diversity and inclusion within the workplace, continues to help support our work in this area by amplifying the voice of corporate leadership and providing tangible training and resources around unconscious bias.

## WOMEN IN GLOBAL LEADERSHIP\*



We have made more progress in the past 18 months than in the previous 10 years.



\*Director title and above

## PARTNERS FOR PROGRESS



PARADIGM FOR PARITY

A Call to Action and Model for Gender Equality

## CEO ACTION FOR DIVERSITY & INCLUSION



# PEOPLE

We Unlock Potential



## Building Culture Capability

To continue elevating our culture, we launched Inspiring Others to Fuel Results, the next iteration of our global leadership development course called [Leading Culture to Fuel Results](#) for corporate employees and franchisees. Our CEO Greg Creed created the course to encourage our people to become leaders who prioritize inspirational leadership. Since the program launched in 2016, a majority of senior corporate leaders have participated. Over the past several years, our leaders have conducted approximately 20 courses with employees and franchisees across more than 10 countries. Our focus moving forward is to continue expanding the training to our franchise system.



## Unlocking Potential in Communities

Making the world better is one of our core values, and our people do that by sharing their time, talents and money.

In 2018, KFC celebrated its first-ever global community outreach effort through a new, annual giving initiative called "[Acts of Colonel-ness](#)," in honor of founder Colonel Harland Sanders' 128th birthday. KFC challenged 800,000 team members in more than 135 countries to commit to doing a total of 128,000 acts of kindness in their communities during September. Actions included KFC South Africa expanding its Harvest program to all franchisee restaurants and KFC partners in Egypt, Saudi Arabia and UAE recognizing more than 1,000 delivery drivers with care packages.

Pizza Hut U.S. continued its long-standing focus on literacy – making progress against its commitment to impact 100 million lives in 10 years. By the end of 2018, its second full year of the commitment, Pizza Hut was nearly 23% of the way to achieving its goal. Initiatives that contributed to this progress include the brand's in-restaurant fundraisers and the [Pizza Hut BOOK IT! Program](#), which officially launched a digital version - making it easier for educators to enroll in the program and reward student reading achievement. Additionally, Pizza Hut develops its own educator resources and classroom tools. One example is *Shelf Help* - a monthly newsletter featuring new and noteworthy book recommendations that teach kids about character traits like kindness, citizenship and inclusivity.

Taco Bell also grew its community efforts by launching the Round Up program that gives customers the option to "[round up](#)" their order total to the nearest dollar at checkout to help feed the educational dreams of passionate innovators and creators. Plus, the [Taco Bell Foundation's Live Más Scholarship](#) more than doubled its funding goal in 2018, committing to award \$21 million in scholarships by 2021.

The [Yum! Brands Foundation](#) continued to help our employees unlock potential in the communities where they work and live by giving \$1.23 million to causes they're most passionate about supporting.

## TACO BELL JOB CREATION

Commitment to create

**100K**

new U.S. jobs by 2022



Having a strong culture in our restaurants remains a key focus of our people strategy. For Taco Bell, a fun, values-driven culture is a differentiator and was the inspiration behind its [hiring parties](#), which are a unique spin on job fairs with free food, festivities and on-the-spot job interviews. Since launching in 2018, Taco Bell has hosted nearly 600 hiring parties across the country as part of its broader commitment to create 100,000 new U.S. jobs by 2022.

## SERVING UP GOOD

Yum! System Impact in 2018

Gave  
**\$55.6MM**

to causes we're passionate about

Logged  
**10K**

volunteer hours in our communities

Impacted  
**27MM**

people around the world





# PEOPLE 2018 PERFORMANCE SUMMARY

		Goal	Status
Culture & Talent	Create a culture of engagement that attracts, retains and grows the best people and creates high performance in our restaurants.	Measure Yum! Brands' employee engagement.	In 2019, we will launch an enhanced global employee engagement survey to all above-restaurant corporate employees.
		 Provide Yum! Brands' employees with training and development that builds world-class leaders and business results.	Nearly <b>10,000</b> employees participated in our core corporate level training programs in 2018 including Leading Culture to Fuel Results, Leading with Heart and Unconscious Bias.
Diversity & Inclusion	Build an inclusive culture among our employees, franchisees and suppliers to reflect the diversity of our customers.	Minimize or eliminate unconscious bias through employee education.	Continued to expand our unconscious bias training program called Inclusive Leadership to above restaurant corporate employees and franchisees.
		Significantly increase the number of women in senior leadership globally and achieve gender parity in leadership globally by 2030 in alignment with Paradigm for Parity®. 	Aligned with the Paradigm for Parity®, a coalition of companies working to increase the number of women in senior operating roles. In 2018, <b>40%</b> of global leadership roles were held by women.
		Significantly increase diverse representation of underrepresented minorities in the U.S. among corporate employees.	Increased focus on coaching capability, sponsorship programs and customized individual development plans. Continued partnership with CEO Action for Diversity & Inclusion™, a national coalition for workplace diversity.
		Help ensure our workplaces are places where employees can have complex conversations about diversity and inclusion.	Continued driving global strategy for diversity and inclusion. Hosted a companywide diversity chat to engage employees in meaningful dialogue around diversity and inclusion issues. 
Ethics & Human Rights	Hold our employees, franchisees and suppliers to the highest standards of professional and ethical conduct.	 Remain committed to our Global Code of Conduct and Supplier Code of Conduct, which addresses guidelines for working conditions consistent with frameworks such as those of the International Labour Organization (ILO) and the UN Guiding Principles on Human Rights.	Published updated Code of Conduct and Supplier Code of Conduct. Nearly <b>7,000</b> employees completed anticorruption training included in our Code of Conduct. Delivered annual compliance training to all company-owned restaurant employees.
Community & Philanthropy	Support global initiatives related to hunger relief, literacy and youth education, and nonprofits near our hometown headquarters.	Donate food, funds, time and talent to help local and global communities. 	Our global organization donated <b>\$55.6 million</b> and impacted over <b>27 million</b> people in 2018 through programs like the KFC Foundation, Pizza Hut's BOOK IT! Program and the Taco Bell Foundation's Live Más Scholarship. We also donated <b>5.6 million</b> pounds of food through our Harvest Program.

# ABOUT THE PROGRESS UPDATE

We remain committed to disclosing our sustainability progress and will produce a full-year sustainability report on a bi-annual basis. Our previous report was a full-year sustainability report released in 2018, covering our results and progress for calendar year 2017. You can view our 2017 Global Citizenship & Sustainability Report [here](#).

This progress update covers key commitments and initiatives that have been announced since our last report was published, in addition to full-year sustainability data from Jan. 1 - Dec. 31, 2018. Data was gathered from our corporate operations, company-owned restaurants and select franchisees.

Please send comments or questions about this progress update to [citizenship@yum.com](mailto:citizenship@yum.com).

