YUM! BRANDS HUMAN RIGHTS & LABOR PRACTICES POLICY

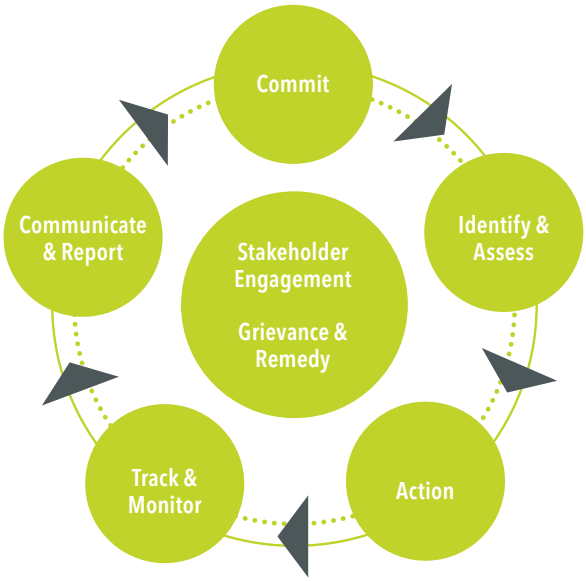
At Yum!, our core values drive us to lead with smart, heart and courage and make the world better. That means maintaining a work environment that respects, protects and supports the human rights of all our employees, suppliers and the local communities where we operate.

Our approach to human rights utilizes the United Nations Guiding Principles on Business and Human Rights' "Protect, Respect and Remedy" Framework, and reflects the principles included in the International Labour Organization Declaration on Fundamental Principles and Rights at Work. Our human rights commitments are included within our Global Code of Conduct and Supplier Code of Conduct, which all employees and suppliers, respectively, are required to confirm their compliance on an annual basis. In addition, our board of directors and senior leaders are required to complete an annual conflict of interest questionnaire.

PROTECT

While governments play an integral role in protecting fundamental human rights, we also have a responsibility to do so as a global company. We take a holistic and strategic approach to responsible governance that includes setting clear policies and procedures while considering our diverse stakeholder base and dynamic business environment. Our commitments and policies on human rights provide a robust foundation for our global system to align on and are periodically reviewed by our board of directors and executive leadership team. We are committed to reporting our progress in accordance with leading global frameworks, including the Global Reporting Initiative, and engage in regular quantitative and qualitative disclosure through our annual Global Citizenship & Sustainability Report.

Human Rights Due Diligence Approach



Basic tenets of our human rights practices

We are committed to ethical, legal and socially responsible business practices and expect all our stakeholders to make similar commitments. The basic tenets of our human rights practices include commitments to the following:

- We do not employ underage children or forced laborers.
- We prohibit physical punishment, abuse, intimidation, or coercion of any kind.
- We respect the right of all employees to form and join a trade union of their choice (or equivalent worker bodies where the rights to freedom of association and collective bargaining are restricted under law) and to bargain collectively, as permitted by applicable laws and regulations.
- We require compliance with all local labor laws in every market where we operate, to ensure safe working conditions, and fair working practices including maximum working hours and on time and in full remuneration.
- We promote, protect and respect the equal rights of all persons, including minorities, migrant workers, women, those with disabilities and other vulnerable groups.
- We partner with stakeholders to collect input and help guide our human rights efforts.

The role of the supply chain

We view our suppliers as key stakeholders within our wider system and expect them to abide by the same ethical, legal and socially responsible business practices. At a minimum, suppliers are required to abide by all applicable laws, codes or regulations regarding wages and benefits, worker's compensation, working hours, equal opportunity, worker and product safety, and conflict minerals policies, as well as conform their practices to the published standards for their industry.

Our Supplier Code of Conduct is a mandatory, annual declaration for all suppliers seeking to work with Yum! Brands, and clearly articulates our expectations on operational standards and human rights, including the following:

- **Working Hours and Conditions.** Suppliers are required to provide their employees with safe and healthy working conditions and reasonable daily and weekly work schedules which comply with wage and hour laws and regulations.
- **Non-Discrimination.** Suppliers shall not discriminate 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 must not use workers under the legal age for employment. In no event should suppliers use employees younger than 14 years of age, or younger than 18 years of age when performing hazardous work.
- **Forced and Indentured Labor.** Suppliers must not use any forced, involuntary or indentured labor, nor should threats of violence, physical punishment, confinement or other forms of physical, sexual, psychological or verbal harassment, abuse or control be used as a method of discipline, coercion or detention.

- **Notification to Employees.** Suppliers should establish company-wide policies implementing the standards outlined in the Supplier Code of Conduct and ensure the wide dissemination of those policies in various media, within high-employee traffic areas, and in all languages necessary to fully communicate to all employees.

Other commitments made in key areas of our supply chain, such as to the Fair Food Standards Council and as a member of the Roundtable for Sustainable Palm Oil (RSPO), include their own leading human rights practices which further reinforce our policies and expectations. Our specific actions include:

- In 2005, Taco Bell and the Coalition of Immokalee Workers (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. 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 2Fair Food Program, 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.
- 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, and the ILO Conventions on Forced Labor (1930) and on the Rights of Indigenous Peoples (2007).

RESPECT

Maintaining a work environment that respects and supports human rights for all our employees around the world has always been non-negotiable. We assess both direct and indirect human rights risks throughout our value chain through our materiality assessment, which is conducted every two to three years, and our annual internal enterprise risk management procedures. We use these assessments to inform corrective actions and/or updates necessary as new impacts arise. Our risk assessments indicate that within our system, the highest relative levels of inherent risk relating to human rights exist within our supply chain, predominately among suppliers operating within developing geographies and within the manufacturing and agriculture, forestry and fishing industries, specifically meat packaging and processing, palm oil and hand-picked produce (as defined by the International Standard Industrial Classification of All Economic Activities). We remain committed to strengthening our due diligence efforts with focus in these key areas.

REMEDY

We know how important it is to have a comprehensive strategy when it comes to successfully managing and remediating both actual and potential human rights issues. Our efforts are focused on providing all stakeholders a confidential mechanism to raise concerns and grievances to enable appropriate remediation, and to establish a thorough supplier due diligence process.

Raising concerns

When it comes to grievance mechanisms, any employee who has ethical or other concerns relating to the Company is encouraged to report them safely and anonymously to The Speak Up helpline, an independent third party, via a 24/7 ethics hotline, at 1-844-418-4423, or online at http://yum.ethicspoint.com. Translation services in nine languages are available to all users. All corporate employees go through annual compliance training which includes information about reporting grievances through The Speak Up helpline. Access to the helpline is available through the organization's intranet, posted throughout our corporate offices and communicated to all corporate employees via email annually.

Additionally, the Audit Committee of our board has established 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 here.

Any person may also use the Yum! email address (impact@yum.com) to raise citizenship and sustainability related issues.

Supplier due diligence

Our suppliers have always been subject to assessments, audits and inspections, including unannounced visits, to verify compliance with our Supplier Code of Conduct and the terms of their contract. Violations and evidence of noncompliance leads to a range of corrective and potentially disciplinary actions, including termination of the supplier relationship if warranted based on the severity of the finding. Preference, however, is given to engaging with suppliers and working collaboratively to address areas of concern and effect real change.

While responding to identified issues is important, we are committed to building a more proactive response to managing ethical risks within our supply chain. In 2020, Yum! established a global membership with Sedex, one of the world's leading ethical trade membership organizations that works with businesses to create more responsible and sustainable business practices. Sedex enables the assessment of risk at each supplier site, across four main areas – labor standards, health and safety, business ethics and environment – and uses a combination of self-assessment and third party, ethical audits, to determine both potential and actual exposure. Gaining this additional visibility further strengthens our existing supply chain auditing capabilities, adding increased focus on human rights and labor practices, within responsible sourcing more broadly. Key elements include:

- Better management of business risk and support for a more holistic approach to human rights strategy in the supply chain through a combination of third-party audits, internal reviews and self-assessments.
- Strengthened responsible and sustainable supply chain management through continuous improvement that includes corrective action and robust remediation plans.
- Platform to communicate broader sustainability agenda and expand ESG issue management beyond human rights to also include key topics such as climate and deforestation.
- Dynamic, online tool that exchanges data between Yum! and thousands of suppliers around the globe to facilitate collaboration.

Yum! continues to strengthen our existing risk assessment and remediation process to enable better supplier development and engagement. Our global implementation plan for Sedex first focuses on engagement with core, direct food suppliers within select key markets. Specifically, our strategy is guided by inherent risk assessments that use suppliers' industry types and locations to help inform the sequencing of markets and in-scope suppliers.

Risk Assessment & Remediation Process

We are focused on working with suppliers to provide remedies where adverse human rights impacts have occurred and incorporate lessons learned to prevent future incidents. Additionally, we are committed to regular disclosure and reporting.