

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Yum! Brands, Inc., based in Louisville, Kentucky, has over 54,000 restaurants in more than 155 countries and territories, operating the Company's brands – KFC, Pizza Hut and Taco Bell – global leaders of the chicken, pizza and Mexican-style food categories. The Company's family of brands also includes The Habit Burger Grill, a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches and more. Yum! Brands was named to the 2021 Dow Jones Sustainability Index North America and was ranked on Newsweek's list of 2021 America's Most Responsible Companies. In 2022, Yum! Brands was named to 3BL Media's 100 Best Corporate Citizens.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1 2021	December 31 2021

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

USD

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization's area of operation.

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	Disclosing	Retailing	<Not Applicable>
Palm oil	Disclosing	Retailing	<Not Applicable>
Cattle products	Disclosing	Retailing	<Not Applicable>
Soy	Disclosing	Retailing	<Not Applicable>
Other - Rubber	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Cocoa	Not disclosing	Retailing	We have elected to focus on timber, palm oil, cattle, and soy during this reporting cycle as we have set and are working toward meeting goals in these areas. We acknowledge that all commodities which impact deforestation are important and are evaluating reporting in additional areas in the future. The quantity of cocoa procured is very low and is not a material component of our business.
Other - Coffee	Not disclosing	Retailing	We have elected to focus on timber, palm oil, cattle, and soy during this reporting cycle as we have set and are working toward meeting goals in these areas. We acknowledge that all commodities which impact deforestation are important and are evaluating reporting in additional areas in the future.

F0.5

(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

Yes

F0.5a

(F0.5a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.

Value chain stage	Exclusion	Description of exclusion	Potential for forests-related risk	Please explain
Direct operations	Facility	Corporate offices and embedded ingredients	Potential for forests-related risk but not evaluated	The timber data reported reflects our current sustainable fiber sourcing policy and goal which applies to paper-based food and beverage packaging used in our restaurants and not to our corporate offices, also known as Restaurant Support Centers (RSC) or to packaging used to ship products to us (e.g., to transport food packaging to the restaurants). Similarly, any palm oil used as an embedded ingredient in food served or other products used in our corporate offices is not part of our policy and is excluded from this analysis. Our current reporting boundary reflects nearly all reported palm oil for cooking and fiber-based packaging.
Supply chain	Specific product line(s)	Palm oil and soy used as a secondary ingredient	Potential for forests-related risk but not evaluated	The palm oil data reported reflects our current sustainable palm oil policy and goal which applies to palm oil used as cooking oil because the majority of our palm oil is used as cooking oil. Certain brands in certain markets such as Taco Bell US have applied the policy to all palm oil used – including that which is used as secondary ingredients, but that is not included in this disclosure. Our current reporting boundary reflects nearly all reported palm oil for cooking and fiber-based packaging. The boundary for soy reporting is soy-based feed for chickens and cattle. These are the major origins of feed in our system. Other sources of soy are excluded.

F0.6

(F0.6) 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
Yes, a Ticker Symbol	YUM

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

Retailing/onward sale of commodity or product containing commodity
 Other, please specify (Buying manufactured product)

Form of commodity

Paper
 Primary packaging

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Argentina
Australia
Austria
Belgium
Bosnia & Herzegovina
Brazil
Canada
Chile
China
Colombia
Croatia
Czechia
Denmark
Ecuador
Egypt
Estonia
Finland
France
Germany
Ghana
Greece
Guatemala
Hungary
India
Indonesia
Italy
Japan
Latvia
Lithuania
Luxembourg
Malaysia
Mauritius
Mexico
Netherlands
New Zealand
Nigeria
Norway
Pakistan
Panama
Philippines
Poland
Republic of Korea
Romania
Russian Federation
Saudi Arabia
Slovakia
Slovenia
South Africa
Spain
Sri Lanka
Sweden
Taiwan, China
Thailand
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Uruguay
Viet Nam

% of procurement spend

6-10%

Comment

Based on our position in the supply chain as a quick-service restaurant company, we procure paper-based packaging manufactured for our food products and in our own printed marketing materials. Paper-based packaging is then used to serve, transport, protect and market our food products. Our provided procurement spend has been estimated from submitted global survey responses and is used to approximate our total spend.

Palm oil

Activity

Retailing/onward sale of commodity or product containing commodity
Other, please specify (Buying manufactured product)

Form of commodity

Refined palm oil

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Dominican Republic
Ecuador
Ghana
India
Indonesia
Malaysia
Nigeria
Peru
Thailand

% of procurement spend

1-5%

Comment

Based on our position in the supply chain as a quick-service restaurant company, we procure manufactured palm oil for use as cooking oil to prepare products such as fried chicken. Many markets use alternative cooking oils. Our procurement spend on palm oil has been estimated from submitted global survey responses. Countries of origin for palm oil are based on information received through the global supplier survey. As such, there may be markets that receive supplies from additional countries.

Cattle products

Activity

Retailing/onward sale of commodity or product containing commodity
Other, please specify (Buying manufactured product)

Form of commodity

Beef

Source

Contracted suppliers (processors)

Country/Area of origin

Australia
Brazil
Canada
Ireland
Mexico
New Zealand
Nicaragua
Peru
Philippines
Russian Federation
Spain
United Kingdom of Great Britain and Northern Ireland
United States of America

% of procurement spend

6-10%

Comment

Our beef use is largely by our Taco Bell brand. The Habit Burger is also a contributing user. Over 90% percent of Taco Bell's restaurants are located within the United States and the vast majority of the brand's beef sourcing is from the United States. Approximately 90% of our beef comes from origins of lower deforestation risk as defined by CDP and over 98% is sourced from outside of Brazil. Countries of origin for beef are based on information received through the global supplier survey. As such, there may be markets that receive supplies from additional countries. We will continue to strive to improve data collection in the future.

Soy

Activity

Retailing/onward sale of commodity or product containing commodity
 Other, please specify (Buying manufactured product)

Form of commodity

Soy bean meal

Source

Contracted suppliers (manufacturers)

Country/Area of origin

- Argentina
- Bolivia (Plurinational State of)
- Brazil
- Canada
- Egypt
- India
- Paraguay
- Romania
- Russian Federation
- South Africa
- Spain
- Switzerland
- Turkey
- Ukraine
- United States of America
- Zambia

% of procurement spend

Not applicable

Comment

Based on our position in the supply chain as a quick-service restaurant company, we don't procure soy directly. Soy is primarily a source of feed for the poultry and cattle that are raised by suppliers who are in our supply chain. Our business is several steps removed from soybean production. Countries of origin for soy are based on information received through our global supplier surveys. As such, there may be markets that receive supplies from additional countries. We will continue to strive to improve data collection in the future.

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber products	<1%	Timber is used as a raw material for our paper-based packaging, which is primarily a vehicle to serve, transport, protect, and market our food products. As such, revenue is not dependent on this commodity as alternative commodities could likely be sourced to supplement and/or replace paper-based packaging, if needed. We don't calculate revenues generated from our paper-based food packaging as it is not sold independently of our food products. Secondly, our policy and goal for paper-based packaging supports both the sustainable forest management of the raw material and the amount of recycled content going into the manufactured product; the two factors are weighted equally and not evaluated separately (e.g. one's impact on revenue compared to the other's). Therefore, we do not know the percent of revenue dependent on timber alone and have selected less than 1%.
Palm oil	<1%	Palm oil is used primarily for cooking oil as well as an ingredient for some food products in some markets. As such, revenue is not dependent on this commodity as alternative commodities could likely be sourced to supplement and/or replace its use, if needed. We don't calculate revenues generated from palm oil alone because it is not sold as an independent final food product. As a result, we have selected less than 1%.
Cattle products	6-10%	We do not calculate revenues generated by beef alone. Beef is used as a food ingredient. It is used primarily by Taco Bell and Habit Burger which comprises about 15% of our total restaurant count at the end of 2021. Based percentage of procurement for food and packaging for beef in the United States we have extrapolated an estimate of system sales that could be considered to be linked to beef.
Soy	<1%	Based on our position in the supply chain as a quick-service restaurant company, we don't procure soy directly. Soy is primarily a source of feed for the poultry and cattle that are raised by suppliers who are in our supply chain. Our business is several steps removed from soybean production. As such, revenue is not dependent on this commodity as alternative commodities could likely be sourced to supplement and/or replace its use, if needed. We don't calculate revenues generated from soy alone because it is not sold as an independent final food product. As a result, we have selected <1%.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption data available, disclosing
Palm oil	Consumption data available, disclosing
Cattle products	Consumption data available, disclosing
Soy	Consumption data available, disclosing
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F1.5a

(F1.5a) Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestation- and/or conversion-free.

Forest risk commodity

Timber products

Data type

Consumption data

Commodity production/ consumption volume

443371

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

53.84

Please explain

We rely on third-party certification schemes (such as FSC, SFI, and PEFC) for volumes that are considered deforestation/conversion free. The reported proportion represents our total certified timber volume for 2021 as reported in our annual supplier surveys.

Forest risk commodity

Palm oil

Data type

Consumption data

Commodity production/ consumption volume

230841

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

100

Please explain

We rely on third party verification, such as RSPO, for volumes that are deforestation/conversion free. Based on data reported in our 2021 global supplier survey and our purchase of RSPO Book and Claim credits, it is estimated that all of the procured volume of palm oil used for cooking supported the production of sustainable palm oil.

Forest risk commodity

Cattle products

Data type

Consumption data

Commodity production/ consumption volume

192951

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

No, and we are not planning to verify volumes as deforestation- and/or conversion-free

% of reported volume verified as deforestation- and/or conversion-free

<Not Applicable>

Please explain

More robust third-party systems of certification are needed to verify that cattle are deforestation free in global markets. However, our beef use is largely in our Taco Bell brand with the Habit Burger Grill as a contributing user. Over 90% of Taco Bell's restaurants are located within the United States and the vast majority of the brand's beef sourcing is from the United States. Approximately 90% of our beef comes from origins of lower deforestation risk as defined by CDP and over 98% is sourced from outside of Brazil. Countries of origin for beef are based on information received through the global supplier survey. As such, there may be markets that receive supplies from additional countries. We will continue to strive to improve data collection in the future.

Forest risk commodity

Soy

Data type

Consumption data

Commodity production/ consumption volume

2264822

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

13

Please explain

Total consumption volume has been estimated using the RTRS Calculator based on total beef, poultry and dairy volumes reported in our global supplier surveys. Yum! worked with FAI Farms in 2021 to understand and address sourcing soy from areas with a high risk of deforestation. In KFC Europe, 100% of the feed mills sourced for the brand have been audited and have documented contracts with soybean meal suppliers with a clause that requires soy to be compliant with the Amazon Soy Moratorium which effectively freezes the footprint and halts deforestation from the Amazon Biome. We have therefore reported the deforestation- and/or conversion-free total as the proportion of total Soy volume represented by KFC Europe.

F1.5b

(F1.5b) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Timber products

Country/Area of origin

Argentina

State or equivalent jurisdiction

Don't know

% of total production/consumption volume

0.21

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Argentina is estimated to represent 0.21% of our total timber volume. The state/equivalent jurisdiction is unknown.

Forest risk commodity

Timber products

Country/Area of origin

Australia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (South Australia, Victoria, Australian Capital Territory, New South Wales)

% of total production/consumption volume

0.68

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Australia is estimated to represent 0.68% of our total timber volume and is sourced from the South Australia, Victoria, Australian Capital Territory, and New South Wales regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Timber products

Country/Area of origin

Brazil

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Sao Paulo, Mato Grasso, Parana)

% of total production/consumption volume

0.56

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Brazil is estimated to represent 0.56% of our total timber volume and is sourced from the Sao Paulo, Mato Grasso, and Parana regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Timber products

Country/Area of origin

Colombia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Valle de Cauca)

% of total production/consumption volume

0.09

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Colombia is estimated to represent 0.09% of our total timber volume and is sourced from the Valle de Cauca region.

Forest risk commodity

Timber products

Country/Area of origin

Ecuador

State or equivalent jurisdiction

Don't know

% of total production/consumption volume

0.07

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Ecuador is estimated to represent 0.07% of our total timber volume. The state/equivalent jurisdiction is unknown.

Forest risk commodity

Timber products

Country/Area of origin

Guatemala

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Guatemala City)

% of total production/consumption volume

0.01

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Guatemala is estimated to represent 0.003% of our total timber volume and is sourced from the Guatemala City region. We have rounded this value to 0.01% based on CDP decimal requirements.

Forest risk commodity

Timber products

Country/Area of origin

India

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Tamilnadu, Maharashtra, Gujarat, Haryana)

% of total production/consumption volume

2.12

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from India is estimated to represent 2.12% of our total timber volume and is sourced from the Tamilnadu, Maharashtra, Gujarat, and Haryana regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Timber products

Country/Area of origin

Indonesia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (East Java)

% of total production/consumption volume

0.44

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Indonesia is estimated to represent 0.44% of our total timber volume and is sourced from the East Java region.

Forest risk commodity

Timber products

Country/Area of origin

Malaysia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Penang, Binh Duong)

% of total production/consumption volume

0.23

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Malaysia is estimated to represent 0.23% of our total timber volume and is sourced from the Penang and Binh Duong regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Timber products

Country/Area of origin

Mexico

State or equivalent jurisdiction

Don't know

% of total production/consumption volume

0.04

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Mexico is estimated to represent 0.04% of our total timber volume. The state/equivalent jurisdiction is unknown.

Forest risk commodity

Timber products

Country/Area of origin

Panama

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Panama)

% of total production/consumption volume

0.24

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Panama is estimated to represent 0.24% of our total timber volume and is sourced from the Panama Capital region.

Forest risk commodity

Timber products

Country/Area of origin

Philippines

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Cavite, Bulacan)

% of total production/consumption volume

0.28

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Philippines is estimated to represent 0.28% of our total timber volume and is sourced from the Cavite and Bulacan regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Timber products

Country/Area of origin

Thailand

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Prachinburi, Kanchanaburi, Ratchaburi)

% of total production/consumption volume

0.45

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Thailand is estimated to represent 0.45% of our total timber volume and is sourced from the Prachinburi, Kanchanaburi, and Ratchaburi regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Timber products

Country/Area of origin

Viet Nam

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Binh Phuoc, Bac Giang)

% of total production/consumption volume

0.38

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from Vietnam is estimated to represent 0.38% of our total timber volume and is sourced from the Binh Phuoc and Bac Giang regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Timber products

Country/Area of origin

Unknown origin

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

15.65

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. This methodology provides the means to calculate full representation. Proxy data does not provide an accurate confirmation of country of origin compared to actual survey responses, so we have selected "Unknown" for the purposes of this disclosure.

Forest risk commodity

Timber products

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

78.55

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on packaging products containing timber (via fiber used in paper-based packaging). In our 2021 survey, we requested all global timber suppliers to report the states, provinces, and regions within the country of origin (if known). For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of timber production facilities. Based on the results of the 2021 survey, timber sourced from countries of low deforestation risk represents 78.55% of our total timber volume. These countries include Austria, Belgium, Bosnia, Canada, Chile, China, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Ghana, Greece, Hungary, Italy, Japan, South Korea, Latvia, Lithuania, Luxembourg, Mauritius, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Poland, Romania, Russian Federation, Saudi Arabia, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Sweden, Taiwan, United Arab Emirates, United Kingdom, United States of America, and Uruguay. Pursuant to CDP Guidance, our volumes from these countries have been disclosed together within this row.

Forest risk commodity

Palm oil

Country/Area of origin

Ecuador

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Los Rios, Esmeraldas, Santo Domingo)

% of total production/consumption volume

1.13

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of the palm oil mill and/or refiner. Based on the results of the 2021 survey, palm oil sourced from Ecuador is estimated to represent 1.13% of our total palm oil volume and is sourced from the Los Rios, Esmeraldas, and Santo Domingo regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Palm oil

Country/Area of origin

India

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Gujarat, Andhra Pradesh, West Bengal)

% of total production/consumption volume

3.3

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of the palm oil mill and/or refiner. Based on the results of the 2021 survey, palm oil sourced from the India is estimated to represent 3.3% of our total palm oil volume and is sourced from the Gujarat, Andhra Pradesh, and West Bengal regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Palm oil

Country/Area of origin

Indonesia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (North Sumatra, East Java, Medan)

% of total production/consumption volume

53.1

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of the palm oil mill and/or refiner. Based on the results of the 2021 survey, palm oil sourced from Indonesia is estimated to represent 53.10% of our total palm oil volume and is sourced from the North Sumatra, East Java and Medan regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Palm oil

Country/Area of origin

Malaysia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Lahad Datu, Kuala Lumpur, Semporna, Kinabatangan, Sandakan, Sabah, Selangor)

% of total production/consumption volume

7.28

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of the palm oil mill and/or refiner. Based on the results of the 2021 survey, palm oil sourced from Malaysia is estimated to represent 7.28% of our total palm oil volume and is sourced from the Lahad Datu, Kuala Lumpur, Semporna, Kinabatangan, Sandakan, Sabah, and Selangor regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Palm oil

Country/Area of origin

Nigeria

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Benin)

% of total production/consumption volume

0.21

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of the palm oil mill and/or refiner. Based on the results of the 2021 survey, palm oil sourced from Nigeria is estimated to represent 0.21% of our total palm oil volume and is sourced from the Benin region.

Forest risk commodity

Palm oil

Country/Area of origin

Peru

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Ucayali)

% of total production/consumption volume

0.01

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of the palm oil mill and/or refiner. Based on the results of the 2021 survey, palm oil sourced from Peru is estimated to represent 0.01% of our total palm oil volume and is sourced from the Ucayali region.

Forest risk commodity

Palm oil

Country/Area of origin

Thailand

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Prachuap Khiri Khan, Trang)

% of total production/consumption volume

14.83

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we added

an estimate of consumption based on a per restaurant average from reporting restaurants. Reporting gaps associated with countries of origin have been estimated based on reported location of the palm oil mill and/or refiner. Based on the results of the 2021 survey, palm oil sourced from Thailand is estimated to represent 14.83% of our total palm oil volume and is sourced from the Prachuap Khiri Khan and Trang regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Palm oil

Country/Area of origin

Unknown origin

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

19.88

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. This methodology provides the means to calculate full representation. Proxy data does not provide an accurate confirmation of country of origin compared to actual survey responses, so we have selected "Unknown" for the purposes of this disclosure.

Forest risk commodity

Palm oil

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

0.26

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on palm oil used for cooking purposes in our restaurants. In our 2021 survey, we requested all global palm oil suppliers to report the states, provinces, and regions within the country of origin (if known). We were pleased to receive responses representing an estimated 99% of our global store count of over 53,000 restaurants. For restaurants that were not represented by the survey results, we have either added an estimate based on submitted data from the previous reporting period or added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of the 2021 survey, palm oil sourced from countries of low deforestation risk represents 0.26% of our total palm oil volume. These countries include the Dominican Republic and Ghana. Pursuant to CDP Guidance, our volumes from these countries have been disclosed together within this row.

Forest risk commodity

Cattle products

Country/Area of origin

Australia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (New South Wales, Queensland, Tasmania, Victoria)

% of total production/consumption volume

1.58

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of our 2021 analysis, beef sourced from Brazil is estimated to represent 1.58% of our total beef volume and is sourced from the New South Wales, Queensland, Tasmania, and Victoria regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Cattle products

Country/Area of origin

Brazil

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Parana, Goiás, Mato Grosso do Sul, Sao Paulo)

% of total production/consumption volume

1.42

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of our 2021 analysis, beef sourced from Brazil is estimated to represent 1.42% of our total beef volume and is sourced from the Parana, Goiás, Mato Grosso do Sul, and Sao Paulo regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Cattle products

Country/Area of origin

Mexico

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Queretaro)

% of total production/consumption volume

3.95

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of our 2021 analysis, beef sourced from Mexico is estimated to represent 3.95% of our total beef volume and is sourced from the Queretaro region.

Forest risk commodity

Cattle products

Country/Area of origin

Nicaragua

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Chontales, Managua)

% of total production/consumption volume

1.88

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of our 2021 analysis, beef sourced from Nicaragua is estimated to represent 1.88% of our total beef volume and is sourced from the Chontales and Managua regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Cattle products

Country/Area of origin

Philippines

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Batanga)

% of total production/consumption volume

0.01

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of our 2021 analysis, beef sourced from Philippines is estimated to represent 0.01% of our total beef volume and is sourced from the Batanga region.

Forest risk commodity

Cattle products

Country/Area of origin

Peru

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Lima)

% of total production/consumption volume

1.23

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of our 2021 analysis, beef sourced from Peru is estimated to represent 1.23% of our total beef volume and is sourced from the Lima region.

Forest risk commodity

Cattle products

Country/Area of origin

Unknown origin

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

10.04

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. This methodology provides the means to calculate full representation. Proxy data does not provide an accurate confirmation of country of origin compared to actual survey responses, so we have selected "Unknown" for the purposes of this disclosure.

Forest risk commodity

Cattle products

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

79.89

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on beef used in our restaurants. . In our 2021 survey, we requested all global beef suppliers to report the states, provinces, and regions within the country of origin (if known). We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. This methodology provides the means to calculate full representation. Based on the results of the 2021 survey, beef sourced from countries of low deforestation risk represents 79.89% of our total beef volume. These countries include Canada, Ireland, New Zealand, Russian Federation, United States of America, Spain and United Kingdom. Pursuant to CDP Guidance, our volumes from these countries have been disclosed together within this row.

Forest risk commodity

Soy

Country/Area of origin

Argentina

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Cordoba, Santa Fe, Buenos Aires, La Pampa)

% of total production/consumption volume

10.48

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. Based on the results of the 2021 survey, soy sourced from Argentina represents 10.48% of our total soy volume and was sourced from the Cordoba, Santa Fe, Buenos Aires and La Pampa regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Soy

Country/Area of origin

Bolivia (Plurinational State of)

State or equivalent jurisdiction

Don't know

% of total production/consumption volume

0.01

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. Based on the results of the 2021 survey, soy sourced from Bolivia represents 0.01% of our total soy volume. Details regarding the state/equivalent jurisdiction is not available at this time.

Forest risk commodity

Soy

Country/Area of origin

Brazil

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Goiás, Mato Grosso, Mato Grosso do Sul, Paraná, Rio Grande do Sul, Santa Catarina and São Paulo)

% of total production/consumption volume

21.22

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides

directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. Based on the results of the 2021 survey, soy sourced from Brazil represents 21.22% of our total soy volume and was sourced from the Goiás, Mato Grosso, Mato Grosso do Sul, Paraná, Rio Grande do Sul, Santa Catarina and São Paulo regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Soy

Country/Area of origin

India

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Nagpur, Indore, Maharashtra, Rajasthan, Madhya Pradesh and Karnataka)

% of total production/consumption volume

1.39

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. Based on the results of the 2021 survey, soy sourced from India represents 1.39% of our total soy volume and was sourced from the Nagpur, Indore, Maharashtra, Rajasthan, Madhya Pradesh and Karnataka regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Soy

Country/Area of origin

Paraguay

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Itapua, Alto Parana, and La Pampa)

% of total production/consumption volume

0.4

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. Based on the results of the 2021 survey, soy sourced from Paraguay represents 0.40% of our total soy volume and was sourced from the Itapua, Alto Parana, La Pampa regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity

Soy

Country/Area of origin

Zambia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Lusaka)

% of total production/consumption volume

0.04

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. Based on the results of the 2021 survey, soy sourced from Zambia represents 0.04% of our total soy volume and was sourced from the Lusaka region.

Forest risk commodity

Soy

Country/Area of origin

Unknown origin

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

4.22

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. This methodology provides the means to calculate full representation. Proxy data does not provide an accurate confirmation of country of origin compared to actual survey responses, so we have selected "Unknown" for the purposes of this disclosure.

Forest risk commodity

Soy

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

62.24

Please explain

We issued a global survey for our entire business, through our brands, requesting that all countries report on soy used in our supply chain for the first time. In our 2021 survey, we requested all global soy suppliers to report the states, provinces, and regions within the country of origin (if known). Given the significant gaps in reported data we have extrapolated estimated volumes of soy based on the volume of poultry, beef and dairy that we procured in 2021 using the RTRS Calculator. This provides directional results for the reporting year. We expect to refine these calculations in the future as suppliers become better attuned to reporting in this area. Based on the results of the 2021 survey, Soy sourced from countries of low deforestation risk represents 62.24% of our total Soy volume. These countries include Canada, Egypt, Romania, Russian Federation, South Africa, Spain, Switzerland, Turkey, Ukraine and United States. Pursuant to CDP Guidance, our volumes from these countries have been disclosed together within this row.

F1.5e

(F1.5e) How does your organization produce or consume biofuel derived from palm oil?

Does your organization produce or consume biofuel derived from palm oil?

No

Data type

<Not Applicable>

Volume produced/consumed

<Not Applicable>

Metric

<Not Applicable>

Country/Area of origin

<Not Applicable>

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

<Not Applicable>

Does the source of your organization's biofuel material come from smallholders?

<Not Applicable>

Comment

Yum! Brands does not produce or consume biofuel derived from palm oil.

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

Yes

F1.6a

(F1.6a) Describe the forests-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Forest risk commodity

Timber products

Impact driver type

Reputational and markets

Primary impact driver

Increased cost of certified sustainable material

Primary impact

Increased operating costs

Description of impact

Sustainably certified products, such as fiber-based products can result in increased costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, in particular certified fiber-based packaging, increased costs have been an impediment to supplying fully certified products. Due to the large, decentralized nature of our organization and our ability to source from multiple regions, the scale of this impact is not likely to rise to the level of "substantive."

Primary response

Engagement with suppliers

Total financial impact

7000000

Description of response

Sustainably certified fiber-based products can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, in particular certified fiber-based packaging, increased costs have been an impediment to supplying fully certified products. We have provided a directional estimate of system-wide increase in cost for certified products based on 2021 data in global spend. It is a global number covering all restaurants.

Forest risk commodity

Palm oil

Impact driver type

Reputational and markets

Primary impact driver

Increased cost of certified sustainable material

Primary impact

Increased operating costs

Description of impact

Sustainably certified products, such as palm oil can result in increased costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. Due to the large, decentralized nature of our organization, the scale of this impact has not risen to the level of "substantive."

Primary response

Engagement with suppliers

Total financial impact

683000

Description of response

Sustainably certified products such as RSPO certified palm oil can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. We have provided the estimated increase in cost based on 2021 reported volume data and average pricing. It is a global number covering all restaurants. We continue to source certified palm oil in support of sustainable palm oil production.

Forest risk commodity

Cattle products

Impact driver type

Reputational and markets

Primary impact driver

Increased cost of certified sustainable material

Primary impact

Increased operating costs

Description of impact

Many of our investors are aware of the environmental risks of deforestation and have expressed concern. We have received shareholder proposals and have directly engaged with them on the topic. We continue to investigate vegetarian options and meat alternatives as our menu constantly evolves to meet the preferences of our customers. We acknowledge the growing concern for sustainable beef and are involved in organizations such as the Roundtable for Sustainable Beef to promote the sustainability of this commodity. As such, we do not currently anticipate the scale of this impact to rise to the level of "substantive."

Primary response

Participation in sector-wide and/or multi-stakeholder agreements

Total financial impact

Description of response

Yum! endorsed the New Declaration on Forests (NYDF) and believes it is an important step toward us meeting the private sector goal of elimination deforestation from the production of agricultural commodities and striving to end natural forest loss by 2030. We are continuing to expand reporting in this space, through a focus on CDP. Yum! has worked with WWF to conduct a global supply chain risk assessment across our food and agricultural commodities as well as working with them specially on a Brazil landscape assessment that will inform our future sourcing strategy and reporting. At this this time we are unable to provide the financial impact.

Forest risk commodity

Soy

Impact driver type

Reputational and markets

Primary impact driver

Increased cost of certified sustainable material

Primary impact

Increased operating costs

Description of impact

Sustainably certified products can result in increased costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, increased costs have been an impediment to supplying fully certified products. Due to the large, decentralized nature of our organization and our ability to source from multiple regions, the scale of this impact is not likely to rise to the level of "substantive."

Primary response

Engagement with suppliers

Total financial impact

Description of response

Sustainably certified soy products can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, increased costs have been an impediment to supplying fully certified products. We are unable to provide the financial impact. However, we have experienced an increase in cost for certified sustainable materials. This varies according to market and according to the material.

F1.7

(F1.7) Indicate whether you have assessed the deforestation or conversion footprint for your disclosed commodities over the past 5 years, or since a specified cutoff date, and provide details.

Forest risk commodity

Soy

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we monitor deforestation/conversion footprint in our supply chain

Coverage

Partial consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Since a specified cutoff date, please specify year (2021)

Known or estimated deforestation/ conversion footprint (hectares)

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

In 2021 we partnered with FAI Farms to study the volume of soy currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant opensource datasets and scouring were created where applicable. We annually survey our suppliers and supply chain management units around the world regarding the quantities, origin, and certifications of the commodity to assist in the assessment of progress toward elimination deforestation from the production of agricultural commodities and striving to end natural forest loss by 2030 in accordance with the NYDF. This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk.

Forest risk commodity

Timber products

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we monitor deforestation/conversion footprint in our supply chain

Coverage

Partial consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Since a specified cutoff date, please specify year (2021)

Known or estimated deforestation/ conversion footprint (hectares)

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

We annually survey our suppliers and supply chain management units around the world regarding the quantities, origin, and certifications of the commodity to assist in the assessment of progress toward elimination deforestation from the production of agricultural commodities and striving to end natural forest loss by 2030 in accordance with the NYDF . This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk.

Forest risk commodity

Palm oil

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we monitor deforestation/conversion footprint in our supply chain

Coverage

Partial consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Since a specified cutoff date, please specify year (2021)

Known or estimated deforestation/ conversion footprint (hectares)

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

We annually survey our suppliers and supply chain management units around the world regarding the quantities, origin, and certifications of the commodity to assist in the assessment of progress toward elimination deforestation from the production of agricultural commodities and striving to end natural forest loss by 2030 in accordance with the NYDF. This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk.

Forest risk commodity

Cattle products

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we monitor deforestation/conversion footprint in our supply chain

Coverage

Partial consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Since a specified cutoff date, please specify year (2021)

Known or estimated deforestation/ conversion footprint (hectares)

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

We annually survey our suppliers and supply chain management units around the world regarding the quantities, origin, and certifications of the commodity to assist in the assessment of progress toward elimination deforestation from the production of agricultural commodities and striving to end natural forest loss by 2030 in accordance with the NYDF. This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk.

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber products

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

Other, please specify (WWF's Global 200 priority ecoregions, Ramsar Sites, World Database on Protected Areas, and Alliance for Zero Extinction (AZE) sites)

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Regulation

Climate change

Impact on water security

Tariffs or price increases

Brand damage related to forests risk commodities

Corruption

Stakeholders considered

Customers

Employees

Investors

NGOs

Regulators

Suppliers

Please explain

All corporate risks, including any deforestation risks associated with timber that are considered significant to our company, such as the availability, quality, regulations, and environmental impacts related to timber are evaluated in our enterprise risk management framework. It is led by our Risk Committee and addresses a wide range of topics including environmental and social factors. Risk analysis is presented at the quarterly Board Audit Committee meeting. Additionally, as part of our supply chain management process, we survey our business units around the world regarding their progress against our sustainable fiber sourcing goal annually. This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk relating to meeting our goal of 100% sustainable sourcing by the end of 2022 (2025 for China). In addition, in 2018 we completed a long-term Supply Chain Sustainability Risk Assessment with World Wildlife Fund (WWF) to identify and prioritize the environmental and social risks attributed to key commodities, including forest risks commodities. We continued work in 2019-2020 with WWF by conducting a landscape analysis for Brazil. Tools, methods, and data sources referenced for biodiversity and forest risk include: WWF's Global 200 priority ecoregions, Ramsar Sites, World Database on Protected Areas, and Alliance for Zero Extinction (AZE) sites.

Palm oil**Value chain stage**

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

Other, please specify (WWF's Global 200 priority ecoregions, Ramsar Sites, World Database on Protected Areas, and Alliance for Zero Extinction (AZE) sites)

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Regulation

Climate change

Impact on water security

Tariffs or price increases

Brand damage related to forests risk commodities

Corruption

Stakeholders considered

Customers

Employees

Investors

NGOs

Regulators

Suppliers

Please explain

All corporate risks, including any deforestation risks associated with palm oil that are considered significant to our company, such as the availability, quality, regulations, and environmental impacts related to palm oil, are evaluated in our enterprise risk management framework. It is led by our Risk Committee and addresses a wide range of topics including environmental and social factors. Risk analysis is presented at the quarterly Board Audit Committee meeting. Additionally, as part of our supply chain management process, we survey our business units around the world regarding their progress against our sustainable palm oil sourcing goal annually. This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk remaining relating to continuing to meet our commitment to source 100% sustainable palm oil for cooking. We met this goal for the first time in 2019 and are pleased to support the production of sustainable palm oil. We continued to achieve this commitment in 2021. We publish a partial mill list through RSPO. In addition, in 2018 we completed a long-term Supply Chain Sustainability Risk Assessment with World Wildlife Fund (WWF) to identify and prioritize the environmental and social risks attributed to key commodities, including forest risks commodities. We continued work in 2019-2020 with WWF by conducting a landscape analysis for Brazil Tools, methods, and data sources referenced for biodiversity and forest risk include: WWF's Global 200 priority ecoregions, Ramsar Sites, World Database on Protected Areas, and Alliance for Zero Extinction (AZE) sites.

Cattle products**Value chain stage**

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Regulation

Climate change

Impact on water security

Tariffs or price increases

Brand damage related to forests risk commodities

Corruption

Stakeholders considered

Customers

Employees

Investors

NGOs

Regulators

Suppliers

Please explain

All corporate risks, including any deforestation risks associated with cattle products that are considered significant to our company, such as the availability, quality, regulations, and environmental impacts related to cattle products, are evaluated in our enterprise risk management framework. It is led by our Risk Committee and addresses a wide range of topics including environmental and social factors. Risk analysis is presented at the quarterly Board Audit Committee meeting. Additionally, as part of our supply chain management process, we survey our business units around the world regarding their procurement of beef and dairy products annually. This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk remaining relating to meeting our commitments under the New York Declaration of Forests. In addition, in 2018 we completed a long-term Supply Chain Sustainability Risk Assessment with WWF to identify and prioritize the environmental and social risks attributed to key commodities, including forest risks commodities. Tools, methods, and data sources referenced for biodiversity and forest risk include: WWF's Global 200 priority ecoregions, Ramsar Sites, World Database on Protected Areas, and Alliance for Zero Extinction (AZE) sites.

Soy

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Regulation

Climate change

Impact on water security

Tariffs or price increases

Brand damage related to forests risk commodities

Corruption

Stakeholders considered

Customers

Employees

Investors

NGOs

Regulators

Suppliers

Please explain

All corporate risks, including any deforestation risks associated with soy that are considered significant to our company, such as the availability, quality, regulations, and environmental impacts related to soy, are evaluated in our enterprise risk management framework. It is led by our Risk Committee and addresses a wide range of topics including environmental and social factors. Risk analysis is presented at the quarterly Board Audit Committee meeting. Additionally, as part of our supply chain management process, we survey our business units around the world regarding their use of soy in animal feed annually. This frequency is based on the data needs to help us manage our efforts as well as our public reporting cycle. This helps us identify potential deforestation risk remaining relating to meeting our commitments under the New York Declaration of Forests. In addition, in 2018 we completed a long-term Supply Chain Sustainability Risk Assessment with WWF to identify and prioritize the environmental and social risks attributed to key commodities, including forest risks commodities. Tools, methods, and data sources referenced for biodiversity and forest risk include: WWF's Global 200 priority ecoregions, Ramsar Sites, World Database on Protected Areas, and Alliance for Zero Extinction (AZE) sites. In 2021 we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant opensource datasets and scouring was created where applicable. Yum! Brands endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agriculture commodities such as beef, soy, palm oil and paper products. KFC UK&I became a signatory of the UK Soy Manifesto in November 2021. This Manifesto is a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion free by 2025.

F2.2

(F2.2) For each of your disclosed commodity(ies), has your organization mapped its value chains?

	Value chain mapping	Primary reason for not mapping your value chain	Explain why your organization does not map its value chain and outline any plans to introduce it
Timber products	Yes, we have partially mapped the value chain	<Not Applicable>	<Not Applicable>
Palm oil	Yes, we have partially mapped the value chain	<Not Applicable>	<Not Applicable>
Cattle products	Yes, we have partially mapped the value chain	<Not Applicable>	<Not Applicable>
Soy	Yes, we have partially mapped the value chain	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>

F2.2a

(F2.2a) Provide details of your organization's value chain mapping for its disclosed commodity(ies).

Forest risk commodity

Timber products

Scope of value chain mapping

Own operations

Tier 1 suppliers

Tier 2 suppliers

% of total suppliers covered within selected tier(s)

98

Description of mapping process and coverage

Our Supply Chain and Quality Assurance teams maintain a system with Tier 1 suppliers and into deeper tiers as required. This is supplemented by our annual sustainability survey. The percentage of total suppliers within the selected tiers is estimated and only represents Tier 1.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

Forest risk commodity

Palm oil

Scope of value chain mapping

Own operations

Tier 1 suppliers

Tier 2 suppliers

% of total suppliers covered within selected tier(s)

98

Description of mapping process and coverage

Our Supply Chain and Quality Assurance teams maintain a system with Tier 1 suppliers and into deeper tiers as required. This is supplemented by our annual sustainability survey. The percentage of total suppliers within the selected tiers is estimated and only represents Tier 1.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

Forest risk commodity

Cattle products

Scope of value chain mapping

Own operations

Tier 1 suppliers

% of total suppliers covered within selected tier(s)

98

Description of mapping process and coverage

Our Supply Chain and Quality Assurance teams maintain a system with Tier 1 suppliers and into deeper tiers as required. This is supplemented by our annual sustainability survey. The percentage of total suppliers within the selected tiers is estimated and only represents Tier 1.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

Forest risk commodity

Soy

Scope of value chain mapping

Tier 1 suppliers

Tier 2 suppliers

% of total suppliers covered within selected tier(s)

39

Description of mapping process and coverage

Soy is procured by farmers as a feed component for raising animals. Yum! Brands does not raise animals. Given the depth of soy consumption in the value chain, it is very challenging. However, we continue to work across our supply chain to achieve greater levels of visibility and accountability. We requested the global submission of soy as a feed component from global protein suppliers as part of our annual sustainability survey. Our response for the proportion of suppliers covered within these tiers represents an estimate based on the coverage of soya from reporting poultry, beef and dairy suppliers. We continue to develop our approach in this area. In 2021 we also partnered with FAI Farms for a more detailed look at the volume of soya sourced in support of poultry production in Brazil for KFC Europe. We worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant opensource datasets and scouring was created where applicable. This analysis for Brazilian soy suppliers for KFC represents the most robust soy mapping within our organization to date.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	Yes
Palm oil	Yes
Cattle products	Yes
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

The Audit Committee discusses risk management during regular committee meetings and receives risk review reports covering significant areas of risk from senior managers 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. The duties of the Chief Sustainability Officer include the representation of sustainability issues, including forest related issues, 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, which looks at short, medium and long-term risks, prioritizes risks based on a number of factors that impact the business including, but not limited to, financial, operational and reputational factors. More specifically, the size and scope of the potential impact are considered as are the possible duration, and whether the impact is likely to be a one-time occurrence or recurring in nature. We then consider the effect of the risk on business strategy given the risks and opportunities in both the short and long term. Therefore, forest related risks, which are embodied at the restaurant and supply chain level, are incorporated into the Company's broader risk management process.

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 forests) 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!, 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. While we do not believe that individual instances of forests-related risk would constitute a substantive risk to the corporation on their own due to the total size and decentralized nature of our organization as well as our ability to source from different regions of the globe if it became necessary, the potential cumulative impact of forests-related risks could become substantive over the long term.

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Forest risk commodity

Timber products

Type of risk

Chronic physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Declining ecosystem services

Primary potential impact

Supply chain disruption

Company-specific description

Shortages or interruptions in the availability and delivery of food and other supplies: The packaging by our Concepts and their franchisees are sourced from a wide variety of domestic and international suppliers. We, along with our Concepts' franchisees, are also dependent upon third parties to make frequent deliveries of supplies that meet our specifications at competitive prices. Shortages or interruptions to our Concepts' restaurants could adversely affect the availability, quality and cost of items we use and the operations of our restaurants. Such shortages or disruptions could be caused by inclement weather, natural disasters, other a variety of other issues. Climate change influences several physical risk drivers that negatively impact timber production, including extreme weather events such as tropical cyclones and changes in precipitation and temperature, forest fires, loss of ecosystem services, reduced crop yields, and thus, availability of certified sustainable material, which is already limited. Inherent social risks such as land tenure changes and disputes, community opposition, and litigation/grievances also present risks, but have a greater potential to be mitigated than physical risk. Our supply chain group monitors potential shortages and/or interruptions so that alternative supply sources can be obtained if needed. An advantage of our global supply chain is the ability to adapt to localized shortages and/or interruptions.

Timeframe

>6 years

Magnitude of potential impact

Medium-low

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

A shortage or interruption in the availability of supplies could increase costs and limit the availability of products critical to restaurant operations, which in turn could lead to restaurant closures and/or a decrease in sales. In addition, failure by a key supplier or distributor for our Concepts and/or our Concepts' franchisees to meet its service requirements could lead to a disruption of service or supply until a new supplier or distributor is engaged, and any disruption could have an adverse effect on our business. Impact of any event would be determined by geographical extent and severity of the drought. Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. Our ability to source from a diversified supplier base helps to minimize potential impacts.

Primary response to risk

Increased use of sustainably sourced materials

Description of response

In 2014 we established our sustainable paper-based packaging goal to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2020 outside of China and by the end of 2025 inside of China. As of 2021, we achieved 74% of our supply and believe that this has been an effective response in helping us to mitigate supply chain disruptions attributed to declining ecosystem services. By making progress against this goal, we are improving our resilience to ecosystem vulnerability with the potential to impact our packaging supply. We work continually to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters. Our approach to addressing this risk has been effective. Our supply chain is diverse and robust. We continue to work with our system to meet our sustainable fiber-based packaging goal.

Cost of response

7000000

Explanation of cost of response

Sustainably certified fiber-based products can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, in particular, certified fiber-based packaging, increased costs have been an impediment to supplying fully certified products. We have provided a directional estimate of system-wide increase in cost for certified products based on 2021 data in spend. It is a global number covering all restaurants.

Forest risk commodity

Timber products

Type of risk

Regulatory

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Regulatory uncertainty

Primary potential impact

Increased production costs

Company-specific description

Our concepts and their franchisees are subject to numerous laws and regulations around the world. These laws change regularly and are increasingly complex. These include many areas of sustainability including but not limited to environmental laws and regulations, health, sanitation, food, and workplace safety. These regulations are applicable, for timber, especially international and national trade agreements and legislation, moratoria, import tariffs, reporting obligations, and product regulations and standards. Publicity relating to any such noncompliance could also harm our reputation and adversely affect our revenues.

Timeframe

>6 years

Magnitude of potential impact

Low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Compliance with new or existing laws and regulations could impact our or our Concepts' franchisees' operations. The compliance costs associated with these laws and

regulations could result in higher forest products costs. Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. This could either directly impact restaurants or be embedded in the supply chain.

Primary response to risk

Increased use of sustainably sourced materials

Description of response

In 2014 we established our sustainable paper-based packaging goal to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2020 outside of China and by the end of 2025 inside of China. As of 2021, we achieved 74% of our supply and believe that this has been an effective response in helping us to mitigate supply chain disruptions attributed to declining ecosystem services. By making progress against this goal, we are improving our resilience to ecosystem vulnerability with the potential to impact our packaging supply. We work continually to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters. Our approach to addressing this risk has been effective. Our supply chain is diverse and robust. We continue to work with our system to meet our sustainable fiber-based packaging goal.

Cost of response

7000000

Explanation of cost of response

Sustainably certified fiber-based products can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, in particular, certified fiber-based packaging, increased costs have been an impediment to supplying fully certified products. We have provided a directional estimate of system-wide increase in cost for certified products based on 2021 data in spend. It is a global number covering all restaurants.

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Increased cost of certified sustainable material

Primary potential impact

Increased production costs

Company-specific description

Because of the sensitive and controversial nature of forest-based commodities, we are exposed to inherent reputational risks such as negative media coverage, consumer market campaigns, community opposition, and land tenure changes and disputes. Our success depends in large part upon our ability and our Concepts' franchisees' ability to maintain and enhance the value of our brands and our customers' loyalty to our brands. Brand value is based in part on consumer perceptions on a variety of subjective qualities. Business incidents, whether isolated or recurring, and whether originating from us, franchisees, competitors, suppliers or distributors, can significantly reduce brand value and consumer trust, particularly if the incidents receive considerable publicity or result in litigation. For example, our Concepts' brands could be damaged by claims or perceptions about the quality or safety of our products or the quality or reputation of our suppliers, distributors or franchisees, regardless of whether such claims or perceptions are true. Similarly, entities in our supply chain may engage in conduct, human rights abuses or environmental wrongdoing, and any such conduct could damage our or our Concepts' brands' reputations. The risk for this driver occurs in both Direct Operations and in the Supply Chain as reputation is important for all components of our value chain. As such it is important to all of stakeholders including customers and investors.

Timeframe

>6 years

Magnitude of potential impact

Medium-low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. The financial implications of a damaged reputation could negatively impact our market share, stock price and brand equity. For example, same-store sales for China declined 18% in the fourth quarter of 2014 following a supply chain issue in July of that year which adversely impacted our reputation with our customers.

Primary response to risk

Engagement with suppliers

Description of response

We have resources including our Chief Sustainability Officer, Chief Communications Officer, and General Counsel to actively monitor and engage in this area. Brand teams are focused on building four iconic brands people trust and champion. To deliver this commitment to our consumers, our teams focus on developing great-tasting product options at affordable prices built on our rigorous quality and safety standards. We proactively publicly communicate the Company position on being good corporate stewards. Our Citizenship and Sustainability Report and other public disclosures such as CDP. For example, when launching we have held multiple Twitter Chats through a third-party media company called Triple Pundit to share our progress against key environmental goals to engaged stakeholders to demonstrate our commitment to transparency and maintaining a positive brand position. In addition, we regularly engage with stakeholders, including suppliers, to support our Enterprise-wide goal of

sustainable sourcing of fiber for paper-based packaging and to better understand potential changes in supply and new product innovations. By continuing our supplier engagement and monitoring the progress against our sustainable sourcing goals, we are improving our resilience to reputational risks with the potential to impact our packaging supply.

Cost of response

7000000

Explanation of cost of response

Sustainably certified fiber-based products can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, in particular to certified fiber-based packaging, increased costs have been an impediment to supplying fully certified products. We have provided a directional estimate of system-wide increase in cost for certified products based on 2021 data in spend. It is a global number covering all restaurants.

Forest risk commodity

Palm oil

Type of risk

Chronic physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Declining ecosystem services

Primary potential impact

Supply chain disruption

Company-specific description

Shortages or interruptions in the availability and delivery of food and other supplies: The palm oil used by our Concepts and their franchisees is sourced from a wide variety of domestic and international suppliers. We, along with our Concepts' franchisees, are also dependent upon third parties to make frequent deliveries of supplies that meet our specifications at competitive prices. Shortages or interruptions to our Concepts' restaurants (caused by inclement weather, natural disasters, or other) could adversely affect the availability, quality and cost of palm oil we use and the operations of our restaurants. Climate change influences several physical risk drivers that could negatively impact production, including extreme weather events such as tropical cyclones and changes in precipitation and temperature, forest fires, loss of ecosystem services, reduced crop yields, and thus, availability of certified sustainable material, which is already limited. Inherent social risks such as land tenure changes and disputes, community opposition, and litigation/grievances also present risks, but have a greater potential to be mitigated than physical risk. Our supply chain group monitors potential shortages and/or interruptions so that alternative supply sources can be obtained if needed. An advantage of our global supply chain is the ability to adapt to localized shortages and/or interruptions. Our approach to addressing this risk has been effective.

Timeframe

>6 years

Magnitude of potential impact

Medium-low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

A shortage or interruption in the availability of supplies could increase costs and limit the availability of products critical to restaurant operations, which in turn could lead to restaurant closures and/or a decrease in sales. In addition, failure by a key supplier or distributor for our Concepts and/or our Concepts' franchisees to meet its service requirements could lead to a disruption of service or supply until a new supplier or distributor is engaged, and any disruption could have an adverse effect on our business. Impact of any event would be determined by geographical extent and severity of the drought. Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. Our ability to source from a diversified supplier base helps to minimize potential impacts.

Primary response to risk

Increased use of sustainably sourced materials

Description of response

In 2015, we established our sustainable palm oil sourcing policy and goal of sourcing 100% of our palm oil from responsible and sustainable sources by the end of 2018. Starting in 2019 and continuing forward, we are sourcing 100% of our palm oil in support of sustainable growth (RSPO) and believe that this has been an effective response to mitigate supply chain disruptions attributed to declining ecosystem services. By making progress against this goal, we are improving our resilience to ecosystem vulnerability with the potential to impact our palm oil supply. We work continually to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters.

Cost of response

683000

Explanation of cost of response

Sustainably certified products such as RSPO certified palm oil can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. We have provided the estimated increase in cost based on 2021 reported volume data and average pricing. It is a global number covering all restaurants. We continue to source certified palm oil in support of sustainable palm oil production.

Forest risk commodity

Palm oil

Type of risk

Regulatory

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Regulatory uncertainty

Primary potential impact

Increased production costs

Company-specific description

Our Concepts and their franchisees are subject to numerous laws and regulations around the world. These laws change regularly and are increasingly complex. These include many areas of sustainability including but not limited to environmental laws and regulations, health, sanitation, food, and workplace safety. These regulations are applicable, for timber, especially international and national trade agreements and legislation, moratoria, import tariffs, reporting obligations, and product regulations and standards. Publicity relating to any such noncompliance could also harm our reputation and adversely affect our revenues.

Timeframe

>6 years

Magnitude of potential impact

Low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Compliance with new or existing laws and regulations could impact our or our Concepts' franchisees' operations. The compliance costs associated with these laws and regulations could result in higher forest products costs. Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. This could either directly impact restaurants or be embedded in the supply chain.

Primary response to risk

Increased use of sustainably sourced materials

Description of response

In 2015, we established our sustainable palm oil sourcing policy and goal of sourcing 100% of our palm oil from responsible and sustainable sources by the end of 2018. Starting in 2019 and continuing forward, we are sourcing 100% of our palm oil in support of sustainable growth (RSPO) and believe that this has been an effective response to mitigate supply chain disruptions attributed to declining ecosystem services. By making progress against this goal, we are improving our resilience to ecosystem vulnerability with the potential to impact our palm oil supply. We work continually to maintain a diverse supply chain and positive relationships with supply chain partners by proactively establishing mitigation practices that include menu management and portfolio diversification. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters.

Cost of response

683000

Explanation of cost of response

Sustainably certified products such as RSPO certified palm oil can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. We have provided the estimated increase in cost based on 2021 reported volume data and average pricing. It is a global number covering all restaurants. We continue to source certified palm oil in support of sustainable palm oil production.

Forest risk commodity

Palm oil

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Increased cost of certified sustainable material

Primary potential impact

Increased production costs

Company-specific description

Because of the sensitive and controversial nature of forest-based commodities, we are exposed to inherent reputational risks such as negative media coverage, consumer

market campaigns, community opposition, and land tenure changes and disputes. Our success depends in large part upon our ability and our Concepts' franchisees' ability to maintain and enhance the value of our brands and our customers' loyalty to our brands. Brand value is based in part on consumer perceptions on a variety of subjective qualities. Business incidents, whether isolated or recurring, and whether originating from us, franchisees, competitors, suppliers, or distributors, can significantly reduce brand value and consumer trust, particularly if the incidents receive considerable publicity or result in litigation. For example, our Concepts' brands could be damaged by claims or perceptions about the quality or safety of our products or the quality or reputation of our suppliers, distributors or franchisees, regardless of whether such claims or perceptions are true. Similarly, entities in our supply chain may engage in conduct, human rights abuses or environmental wrongdoing, and any such conduct could damage our or our Concepts' brands' reputations. The risk for this driver occurs in both Direct Operations and in the Supply Chain as reputation is important for all components of our value chain. As such it is important to all of stakeholders including customers and investors.

Timeframe

>6 years

Magnitude of potential impact

Medium-low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. The financial implications of a damaged reputation could negatively impact our market share, stock price and brand equity. For example, same-store sales for China declined 18% in the fourth quarter of 2014 following a supply chain issue in July of that year which adversely impacted our reputation with our customers.

Primary response to risk

Engagement with suppliers

Description of response

We have resources including our Chief Sustainability Officer, Chief Communications Officer, General Counsel to actively monitor and engage in this area. Brand teams are focused on building four iconic brands people trust and champion. To deliver this commitment to our consumers, our teams focus on developing great-tasting product options at affordable prices built on our rigorous quality and safety standards. We proactively publicly communicate the Company position on being good corporate stewards. Our Citizenship and Sustainability Report and other public disclosures such as CDP. For example, when launching we have held multiple Twitter Chats through a third-party media company called Triple Pundit to share our progress against key environmental goals to engaged stakeholders to demonstrate our commitment to transparency and maintaining a positive brand position. In addition, we regularly engage with stakeholders, including suppliers, to support our Enterprise-wide goal of sustainable sourcing of fiber for paper-based packaging and to better understand potential changes in supply and new product innovations. By continuing our supplier engagement and monitoring the progress against our sustainable sourcing goals, we are improving our resilience to reputational risks with the potential to impact our packaging supply.

Cost of response

683000

Explanation of cost of response

Sustainably certified products such as RSPO certified palm oil can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. We have provided the estimated increase in cost based on 2021 reported volume data and average pricing. It is a global number covering all restaurants. We continue to source certified palm oil in support of sustainable palm oil production.

Forest risk commodity

Cattle products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Shifts in consumer preference

Primary potential impact

Brand damage

Company-specific description

Concerns regarding the sustainability of beef, including its real and/or perceived impact deforestation, could lead to a change in consumer preferences. Taco Bell has a significant number of menu items with beef-based products. A shift away from beef could result in a change in operational approach for the brand.

Timeframe

4-6 years

Magnitude of potential impact

Medium-low

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact.

Primary response to risk

More ambitious forest-related commitments

Description of response

Our strategy begins by sourcing beef from origins of lower deforestation risk as much as possible. Approximately 90% of our beef comes from origins of lower deforestation risk as defined by CDP and over 98% is sourced from outside of Brazil. A second aspect of our approach is to offer non-beef menu options. Taco Bell has a robust offering of non-beef menu items that provides consumer options. They are making vegetarian options easier to access with "Veggie Mode", a feature that transforms the menu on self-service kiosks in the U.S. to show only vegetation items. Our brands also continue to explore and test meat substitutes. Taco Bell, our leader in beef volume, is also our leader in beef substitutes with menu items like the "Oatrageous Taco". In the United States, Pizza Hut was the first national pizza company to offer plant-based meat across the country. At this time we are unable to provide the financial impact. As part of our efforts, Yum! endorsed NYDF and believe it is an important step toward meeting the private sector goal of eliminating deforestation from the production of agricultural commodities and halving the rate of loss of natural forests globally by 2020 and striving to end natural forest loss by 2030. Yum! has worked with WWF to conduct a global supply chain risk assessment across our food/agricultural commodities and on a Brazil landscape assessment that will inform our future sourcing strategy and reporting.

Cost of response

Explanation of cost of response

Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact or the cost of response. The cost of forest-risk management is largely included in broader and risk management efforts. Specific costs are primarily driven by investing in education and training of key stakeholders, especially our employees responsible for procurement, to adopt and implement our strategy to mitigate risk. Taco Bell recognizes consumers' growing food supply concerns, including animal welfare and antibiotic resistance. Building upon its commitment to making its beef more sustainable from January 2019, Taco Bell has committed to reduce antibiotics important to human health* in its U.S. and Canada beef supply chain by 25% by 2025. Preference will also be given to suppliers that participate in the Beef Quality Assurance system. Taco Bell will reinforce this commitment to beef quality by partnering with key experts and collaborating in industry-wide efforts, including participation in the U.S. Roundtable for Sustainable Beef and the Center for Disease Control's Antimicrobial Resistance (AMR) Challenge.

Forest risk commodity

Soy

Type of risk

Chronic physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Declining ecosystem services

Primary potential impact

Supply chain disruption

Company-specific description

Shortages or interruptions in the availability and delivery of food and other supplies: The soybeans used in our supply chain are sourced from a wide variety of domestic and international suppliers. We, along with our supply chain partners, are also dependent upon third parties to make frequent deliveries of supplies that meet our specifications at competitive prices. Shortages or interruptions to our supply chain could adversely affect the availability, quality and cost of items we use and the operations of our restaurants. Such shortages or disruptions could be caused by inclement weather, natural disasters, other a variety of other issues. Climate change influences several physical risk drivers that negatively impact soybean production, including extreme weather events such as tropical cyclones and changes in precipitation and temperature, forest fires, loss of ecosystem services, reduced crop yields, and thus, availability of certified sustainable material, which is already limited. Inherent social risks such as land tenure changes and disputes, community opposition, and litigation/grievances also present risks, but have a greater potential to be mitigated than physical risk. Our supply chain group monitors potential shortages and/or interruptions so that alternative supply sources can be obtained if needed. An advantage of our global supply chain is the ability to adapt to localized shortages and/or interruptions.

Timeframe

>6 years

Magnitude of potential impact

Medium-low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

A shortage or interruption in the availability of supplies could increase costs and limit the availability of products critical to restaurant operations, which in turn could lead to a decrease in sales. In addition, failure by a key supplier or distributor for our Concepts and/or our Concepts' franchisees to meet its service requirements could lead to a disruption of service or supply until a new supplier or distributor is engaged, and any disruption could have an adverse effect on our business. Impact of any event would be determined by geographical extent and severity of drought. Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. Our ability to source from a diversified supplier base helps to minimize potential impacts.

Primary response to risk

Increased use of sustainably sourced materials

Description of response

Yum! Brands endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agriculture commodities such as beef, soy, palm oil and paper products. In 2021 we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant opensource datasets and scouring was created where applicable. KFC UK&I joined the UK Roundtable on Sustainable Soya in 2019. The Roundtable brings together significant players in the UK soya market, providing a pre-competitive space for companies and industry associations to work together to achieve a shared goal of a secure, resilient, sustainable supply of soya to the UK, with joint progress monitoring and reporting. Additionally, KFC UK&I became a signatory of the UK Soy Manifesto in November 2021. This Manifesto is a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion free no later than 2025.

Cost of response

Explanation of cost of response

Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact of the cost of response. The cost of forest-risk management is largely included in broader and risk management efforts. Specific costs are primarily driven by investing in education and training of key stakeholders, especially our employees responsible for procurement, to adopt and implement our strategy to mitigate risk.

Forest risk commodity

Soy

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Increased cost of certified sustainable material

Primary potential impact

Increased production costs

Company-specific description

Because of the sensitive and controversial nature of forest-based commodities, we are exposed to inherent reputational risks such as negative media coverage, consumer market campaigns, community opposition, and land tenure changes and disputes. Our success depends in large part upon our ability and our Concepts' franchisees' ability to maintain and enhance the value of our brands and our customers' loyalty to our brands. Brand value is based in part on consumer perceptions on a variety of subjective qualities. Business incidents, whether isolated or recurring, and whether originating from us, franchisees, competitors, suppliers or distributors, can significantly reduce brand value and consumer trust, particularly if the incidents receive considerable publicity or result in litigation. For example, our Concepts' brands could be damaged by claims or perceptions about the quality or safety of our products or the quality or reputation of our suppliers, distributors or franchisees, regardless of whether such claims or perceptions are true. Similarly, entities in our supply chain may engage in conduct, human rights abuses or environmental wrongdoing, and any such conduct could damage our or our Concepts' brands' reputations. The risk for this driver occurs in both Direct Operations and in the Supply Chain as reputation is important for all components of our value chain. As such it is important to all of stakeholders including customers and investors.

Timeframe

4-6 years

Magnitude of potential impact

Medium-low

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact. The financial implications of a damaged reputation could negatively impact our market share, stock price and brand equity. For example, same-store sales for China declined 18% in the fourth quarter of 2014 following a supply chain issue in July of that year which adversely impacted our reputation with our customers.

Primary response to risk

Engagement with suppliers

Description of response

We have resources including our Chief Sustainability Officer, Chief Communications Officer, General Counsel to actively monitor and engage in this area. Brand teams are focused on building four iconic brands people trust and champion. To deliver this commitment to our consumers, our teams focus on developing great-tasting product

options at affordable prices built on our rigorous quality and safety standards. We proactively publicly communicate the Company position on being good corporate stewards. Our Citizenship and Sustainability Report and other public disclosures such as CDP. For example, when launching we have held multiple Twitter Chats through a third-party media company called Triple Pundit to share our progress against key environmental goals to engaged stakeholders to demonstrate our commitment to transparency and maintaining a positive brand position. In addition, we regularly engage with stakeholders, including suppliers, to support our Enterprise-wide goal of sustainable sourcing and to better understand potential changes in supply chain and new innovations. By continuing our supplier engagement and monitoring the progress against our sustainable sourcing goals, we are improving our resilience to reputational risks with the potential to impact our soy supply.

Cost of response

Explanation of cost of response

Due to the diverse and broad nature associated with this risk it is not possible to estimate the potential financial impact of the cost of response. The cost of forest-risk management is largely included in broader and risk management efforts. Specific costs are primarily driven by investing in education and training of key stakeholders, especially our employees responsible for procurement, to adopt and implement our strategy to mitigate risk.

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber products	Yes
Palm oil	Yes
Cattle products	Yes
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Timber products

Type of opportunity

Markets

Where in your value chain does the opportunity occur?

Direct operation
Supply chain

Primary forests-related opportunity

Increased demand for certified materials

Company-specific description & strategy to realize opportunity

In order to realize this opportunity, which may result in greater production of certified material and possibly lower costs that we consider strategically important to fulfill our commitment to supporting the NYDF global private sector goal of eliminating deforestation and providing affordable product options to our customers, our strategy is to continue to work toward our published goals to prevent deforestation, including our commitment to source 100% sustainable fiber-based packaging by 2022 outside of China (2025 for China) as well the commitments made through our endorsement of the New York Declaration on Forests. Our annual Yum! sustainability survey provides data so that the brands as a tool to manage progress toward achieving these goals as well as to provide the opportunity to engage with suppliers on the topic. We will continue to communicate and inform stakeholders on our progress.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sustainably certified fiber-based products can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement as well as strategic specifications. In some markets, in particular, certified fiber-based packaging, increased costs have been an impediment to supplying fully certified products. We have provided a directional estimate of system-wide increase in cost for certified products based on 2021 data. It is a global number covering an increase in spend for all restaurants.

Forest risk commodity

Palm oil

Type of opportunity

Markets

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Increased demand for certified materials

Company-specific description & strategy to realize opportunity

In order to realize this opportunity, which may result in greater production of certified material and possibly lower costs that we consider strategically important to fulfill our commitment to supporting the NYDF global private sector goal of eliminating deforestation and providing affordable product options to our customers, we will continue to execute against our published intent to prevent deforestation, including our commitment to continue to source 100% sustainable palm oil for cooking as well as the commitments made through our endorsement of the New York Declaration on Forests. Our annual Yum! sustainability survey provides data so that the brands as a tool to manage progress toward achieving these goals as well as to provide the opportunity to engage with suppliers on the topic. We will continue to communicate and inform stakeholders on our progress.

Estimated timeframe for realization

4-6 years

Magnitude of potential impact

Low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

683000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Due to the diverse and broad nature associated with this opportunity it is not possible to estimate the potential financial impact. Including more sustainably sources materials, has the potential to be looked at favorably by investors, consumers and other stakeholders.

Forest risk commodity

Cattle products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Increased brand value

Company-specific description & strategy to realize opportunity

We are exposed to inherent reputational risks such as negative media coverage, consumer market campaigns, community opposition, and land tenure changes and disputes. Our success depends in large part upon our ability and our Concepts' franchisees' ability to maintain and enhance the value of our brands and our customers' loyalty to our brands. We see an opportunity to increase brand value by developing plant-based options for our consumers. To realize this opportunity, we continue the exploration of non-beef-based menu items in response to consumer interest. Taco Bell, our leader in beef volume, is also our leader in vegetarian offerings including the development of products with meat substitutes. An example is our "Outrageous Taco" which is sold in European markets that contains a meat substitute.

Estimated timeframe for realization

>6 years

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Due to the diverse and broad nature associated with this opportunity it is not possible to estimate the potential financial impact. The financial implications of a driving demand for sustainable meat substitute menu items could develop consumer interest in some markets.

Forest risk commodity

Soy

Type of opportunity

Resilience

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Improved response to regulatory changes

Company-specific description & strategy to realize opportunity

Our concepts and their franchisees are subject to numerous laws and regulations around the world. These laws change regularly and are increasingly complex. These include many areas of sustainability including but not limited to environmental laws and regulations, health, sanitation, food, and workplace safety. To ensure compliance with applicable standards, we see an opportunity to improve response to regulatory changes by participating in public-private partnerships and robust supply chain engagement. Yum! Brands endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agriculture commodities such as beef, soy, palm oil and paper products. In 2021 we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant opensource datasets and scouring was created where applicable. KFC UK&I joined the UK Roundtable on Sustainable Soya in 2019. The Roundtable brings together significant players in the UK soya market, providing a pre-competitive space for companies and industry associations to work together to achieve a shared goal of a secure, resilient, sustainable supply of soya to the UK, with joint progress monitoring and reporting. Additionally, KFC UK&I became a signatory of the UK Soy Manifesto in November 2021. This Manifesto is a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion free no later than 2025.

Estimated timeframe for realization

4-6 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Due to the diverse and broad nature associated with this opportunity it is not possible to estimate the potential financial impact. The financial implications of a driving demand for sustainable meat substitute menu items could develop consumer interest in some markets.

F4. Governance

F4.1**(F4.1) Is there board-level oversight of forests-related issues within your organization?**

Yes

F4.1a**(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.**

Position of individual	Please explain
Chief Executive Officer (CEO)	As the top operational decision-maker and member of the Board of Directors (BOD), the CEO has ultimate responsibility for forests-related issues (including goals for palm oil, fiber, cattle, and soy). One example of a forests-related decision involvement by the CEO was the updating of our sustainable packaging policy. The Audit Committee of the BOD is updated at least twice per year on the Company's environmental commitments and progress. The BOD also receives weekly updates regarding ESG issues, news and trends for our sector. Within the management structure, the CEO entrusts the CSO to drive our company forests strategy. This individual is responsible for: - Leveraging sustainability to promote business growth, drive brand equity and minimize business, social and financial risks of our global enterprise - Focusing on the scope of the business model for the global enterprise - Ensuring we operate efficiently and sustainably - Updating of the Audit Committee on an annual basis

F4.1b

(F4.1b) Provide further details on the board's oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation / R&D priorities Setting performance objectives	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 environmental, social and governance (ESG) issues ultimately resides with the Yum! Brands Board of Directors, which is briefed through its Audit Committee at least two times a year. The brief typically is performed by our General Counsel and/or our Chief Sustainability Officer. The governance and management mechanisms that have been implemented contribute to board oversight on forest issues. We utilize these mechanisms to directly identify, evaluate, manage and track forest issues. Key topics for the reporting year included setting of our updated sustainability strategy and progress against goals including our forests-related targets. against goals including our forests-related targets.

F4.1d

(F4.1d) Does your organization have at least one board member with competence on forests-related issues?

Row 1

Board member(s) have competence on forests-related issues

Yes

Criteria used to assess competence on forests-related issues

Experience in identifying and addressing risks and opportunities associated with sustainability, including forests-related issues and ability to engage stakeholders on relevant forests topics.

Primary reason for no board-level competence on forests-related issues

<Not Applicable>

Explain why your organization does not have at least one board member with competence on forests-related issues and any plans to address board-level competence in the future

<Not Applicable>

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Chief Sustainability Officer (CSO)	Both assessing and managing forests-related risks and opportunities	Half-yearly	The Chief Sustainability Officer (CSO) is responsible for leading the execution of ESG, including forests-related issues. Oversight of forests-related issues falls within this individual's responsibilities to promote centralized alignment and execution of our strategy. This position reports to the Global Chief Communications and Public Affairs Officer, with whom ESG strategy is set, and ultimately reported to the CEO. The CSO works with sustainability leads at each of the brands and Yum! corporate to execute the strategy. Duties include the annual representation of sustainability issues, including forests, on the Yum! risk committee. This senior level committee is responsible for the evaluation and as appropriate, annual reporting of possible corporate risk to the Audit Committee of the Board of Directors for inclusion in our public filings. Forests-related topics that are reported to the board include issues and strategies regarding timber, palm oil, cattle and soy. The committee prioritizes risks that impact the business. The CSO typically presents metrics that relay the progress we have made toward our goals. The size and scope of the impacts considered are the possible duration and whether the impact is likely to be a one-time occurrence or recurring in nature. We then consider the effect on business strategy given the risks/opportunities in both the short and long term. We maintain an ESG Working Group that engages in ongoing sustainability and reporting efforts.

F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide incentives for management of forests-related issues	Comment
Row 1	Yes	Yes, we currently provide incentives for management of forests related issues.

F4.3a

(F4.3a) What incentives are provided to C-Suite employees or board members for the management of forests-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive?	Performance indicator	Please explain
Monetary reward	Chief Sustainability Officer (CSO)	Achievement of commitments and targets	The Chief Sustainability Officer is responsible for leading the execution of the Yum! sustainability strategy, including forests-related issues. Performance of the corporation is factored into incentives. Evaluation of performance starts with the annual sustainability survey to assist in evaluating progress of the corporation and continues through the end-of-year performance review. Forests-related goals are delegated to the appropriate business management units/divisions and teams within those business management units/divisions. Performance against these goals impact overall performance scores and compensation adjustments for employees who are accountable for the achievement of our goals. Monetary rewards (such as incentives) are distributed based on company performance and are awarded once we achieve our forests-related commitments and targets. Performance against these commitments and goals is reviewed and calculated on an annual basis and has historically been reported in our annual sustainability report. Employees who are accountable for the achievement of our goals are subject to receive various bonuses and compensation adjustments. These bonuses are calculated as a percentage of our salary and vary according to the level of leadership.
Non-monetary reward	Chief Sustainability Officer (CSO)	Achievement of commitments and targets	Achievements that drive business results, including those that reduce the Company's environmental impacts, are recognized by non-monetary recognition awards. Recognition is an integral part of the Yum! Brands culture and everyone across the Company is encouraged to celebrate the achievements of others. All leaders in the Company, including the Chief Sustainability Officer, have unique personal recognition awards. Awards that have been given for progress in achieving sustainability targets include our "Positive Spark" award which has been presented to employees for their contributions toward our sustainability targets. For example, associates in China and France have received the "Positive Spark" award for sustainability initiatives such as LEED restaurant development. We also have given our "Green Apple" award for contributions toward sustainability education within the company. Individuals in the U.K., China, Australia, and the United States have received this recognition. Employees who contribute to the success of Yum! Brands are eligible for the "Achieving Breakthrough Results" award. This award involves recognition, non-monetary rewards, and a monetary reward or equity grant for efforts that drive breakthrough results for the Company. It has been awarded to employees who are helping to achieve our sustainability targets through efforts such as our Citizenship Report and CDP responses.

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

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

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

Yes, we have a documented forests policy that is publicly available

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

	Scope	Content	Please explain
Row 1	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to no deforestation, to no planting on peatlands and to no exploitation (NDPE) Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to transparency Commitment to stakeholder awareness and engagement Recognition of the overall importance of forests and other natural ecosystems Description of business dependency on forests Recognition of potential business impact on forests and other natural ecosystems Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound milestones and targets Description of forests-related performance standards for direct operations Description of forests-related standards for procurement	Yum! Brands, Inc. is committed to our policies to prevent deforestation and forest degradation and have created them with the material content to drive improvement. All policies are public and apply to all stages of our value chain, including our equity restaurants, franchisees, and suppliers. For palm oil, we are committed to continuing to meet our commitment of using 100% certified products for cooking. We give preference to suppliers that are certified by the Roundtable on Sustainable Palm Oil (RSPO), and only source palm oil from suppliers whose operations meet our Palm Oil Policy principles, Yum! Brands Supplier Code of Conduct, and Human and Labor Rights Policy which address HCV, HCS, peatland, legality, certification, and human rights. For Timber, we implemented a Paper-Based Packaging Sourcing Policy which addresses HCV, legality, certification, recycled content, and human rights. We give preference to suppliers with third-party certification, the most rigorous of which is FSC. We also recognize other national certifications endorsed by the Programme for the Endorsement of Forestry Certification (PEFC) and the Sustainable Forestry Initiative (SFI), provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. Our policy is publicly-available on the Citizenship section of our company webpage. We typically review and/or update the policy on a biannual basis. Our endorsement of the New York Declaration on Forests (NYDF) is a milestone. We believe that endorsing the NYDF is an important step forward and we look forward to supporting and helping to meet the global private sector goal of eliminating deforestation from the production of agriculture commodities no later than 2020, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multi-stakeholder partnership in support of the private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains. Our policies inform our supply chain decision-making process. All suppliers are required to follow our policies as outlined in our Supplier Code of Conduct. Timber and palm oil suppliers have been removed from our system as a result of not addressing our policies.

F4.5b

(F4.5b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.

Do you have a commodity specific sustainability policy?	Scope	Content	Please explain

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber products	Yes	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound commitments and targets Other, please specify (Reference to international standards and widely-recognized forests-related initiatives)	Text field [maximum 2,400 characters] Yum! Brands, Inc. is committed to implementing our Paper-Based Packaging Sourcing policy to help prevent deforestation and forest degradation. This commitment is supported by our paper-based packaging sourcing principles, Yum! Brands Supplier Code of Conduct, and Human and Labor Rights Policy. Our current goal is to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2022 (China by 2025). We give preference to suppliers with third-party certification, the most rigorous of which is FSC. We also recognize other national certifications endorsed by the Programme for the Endorsement of Forestry Certification (PEFC) and the Sustainable Forestry Initiative (SFI), provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We survey our markets and suppliers on an annual basis to assess progress. This policy is publicly available and applies to all stages of our value chain, including our equity restaurants, franchisees, and suppliers. Our policy is publicly-available on the Citizenship section of our company webpage. We review and/or update the policy on a biannual basis. Our endorsement of the New York Declaration on Forests (NYDF) is a milestone. We believe that endorsing the NYDF is an important step forward and we look forward to supporting and helping to meet the global 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, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multi-stakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains.
Palm oil	Yes	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound commitments and targets Other, please specify (Reference to international standards and widely-recognized forests-related initiatives)	Yum! Brands, Inc. is committed to implementing our Palm Oil Sourcing policy to help prevent deforestation and forest degradation. This commitment is supported by Palm Oil Policy principles, Yum! Brands Supplier Code of Conduct, and Human and Labor Rights Policy. We are committed to continuing our goal of sourcing 100% of the product used for cooking from responsible and sustainable sources. We survey our markets and suppliers on an annual basis to assess progress. We give preference to suppliers that are certified by the Roundtable on Sustainable Palm Oil (RSPO), and only source palm oil only from suppliers whose operations meet the principles outlined in our Palm Oil Policy. This policy is publicly available and applies to all stages of our value chain, including our equity restaurants, franchisees, and suppliers. Our policy is publicly-available on the Citizenship section of our company webpage. We review and/or update the policy on a biannual basis. Our endorsement of the New York Declaration on Forests (NYDF) is a milestone. We believe that endorsing the NYDF is an important step forward and we look forward to supporting and helping to meet the global 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, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multi-stakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains.

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Cattle products	Yes	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound commitments and targets Other, please specify (Reference to international standards and widely-recognized forests-related initiatives)	Yum! Brands, Inc. is committed to the implementation of our global forest stewardship policy which addresses the Cattle component of forests deforestation and forest degradation. This commitment is supported by the Yum! Brands Supplier Code of Conduct and Human and Labor Rights Policy. We are committed our endorsement of the New York Declaration on Forests and look forward to supporting and helping to meet the global 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, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multi-stakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains. We survey our markets and suppliers on an annual basis to assess progress. This policy is publicly available and applies to all stages of our value chain, including our equity restaurants, franchisees, and suppliers. Our policy is publicly-available on the Citizenship section of our company webpage. We review and/or update the policy on a biannual basis.
Soy	Yes	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy List of timebound commitments and targets Other, please specify (Reference to international standards and widely-recognized forests-related initiatives)	Yum! Brands, Inc. is committed to the implementation of our global forest stewardship policy which addresses the soy component of forests deforestation and degradation. This commitment is supported by the Yum! Brands Supplier Code of Conduct and Human and Labor Rights Policy. We are committed our endorsement of the New York Declaration on Forests and look forward to supporting and helping to meet the global 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, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multi-stakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains. KFC UK&I joined the UK Roundtable on Sustainable Soya in 2019. The Roundtable brings together significant players in the UK soya market, providing a pre-competitive space for companies and industry associations to work together to achieve a shared goal of a secure, resilient, sustainable supply of soya to the UK, with joint progress monitoring and reporting. Additionally, KFC UK&I became a signatory of the UK Soy Manifesto in November 2021. This Manifesto is a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion free no later than 2025. We survey our markets and suppliers on an annual basis to assess progress. This policy is publicly available and applies to all stages of our value chain, including our equity restaurants, franchisees, and suppliers. Our policy is publicly-available on the Citizenship section of our company webpage. We review and/or update the policy on a biannual basis.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Yes

F4.6a

(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?

New York Declaration on Forests

Tropical Forest Alliance

Other, please specify (Roundtable on Sustainable Palm Oil, UK Soy Manifesto)

F4.6b

(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.

Forest risk commodity

Timber products

Criteria

Zero gross deforestation/ no deforestation

Restoration and compensation to address past deforestation and conversion

Avoidance of negative impacts on threatened and protected species and habitats

No conversion of High Conservation Value areas

No conversion of High Carbon Stock forests

Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities

No sourcing of illegally produced and/or traded forest risk commodities

No sourcing of forest risk commodities from unknown/controversial sources

Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2014

Commitment target date

2021-25

Please explain

Our commodity-specific policies address several deforestation and forest degradation criteria. Our sustainable fiber for paper-based packaging policy addresses HCV, legality, certification, and human rights. In 2014 we established our sustainable paper-based packaging goal to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources. Pursuant to CDP Guidance, the cutoff date noted in this table reflects the establishment of the policy and does not represent the date of the target (which is provided in the other column). As of 2021, we achieved 74% of our fiber-based packaging supply from sustainable and recycled sources and have therefore extended our goal to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Criteria

Zero gross deforestation/ no deforestation

Restoration and compensation to address past deforestation and conversion

Avoidance of negative impacts on threatened and protected species and habitats

No conversion of High Conservation Value areas

No conversion of High Carbon Stock forests

Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities

No sourcing of illegally produced and/or traded forest risk commodities

No sourcing of forest risk commodities from unknown/controversial sources

Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2019

Commitment target date

2026-2030

Please explain

In addition to our commodity-specific policies, in 2019 we endorsed the New York Declaration of Forests and are working to at least halve the rate of loss of natural forests globally and strive to end natural forests loss by 2030. Pursuant to CDP Guidance, the cutoff date noted in this table reflects our endorsement of the declaration and does not represent the date of the target (which is provided in the other column). We support the private-sector goal of eliminating deforestation from the production of agricultural commodities such as paper by no later than 2020.

Forest risk commodity

Palm oil

Criteria

Zero gross deforestation/ no deforestation
 No new development on peat regardless of depth
 Restoration and compensation to address past deforestation and conversion
 Avoidance of negative impacts on threatened and protected species and habitats
 No conversion of High Conservation Value areas
 No conversion of High Carbon Stock forests
 Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
 No sourcing of illegally produced and/or traded forest risk commodities
 No sourcing of forest risk commodities from unknown/controversial sources
 Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2015

Commitment target date

2019

Please explain

Our commodity-specific policies address several deforestation and forest degradation criteria. Our palm oil policy addresses HCV, HCS, peatland, FPIC legality, certification, and human rights. For example, as a member of RSPO and a buyer of RSPO-certified sustainable palm oil, we abide by the RSPO Principles and Criteria, including the FPIC guiding principles for companies to promote the protection of local community rights. We are committed to continuing to source 100% of the palm oil used for cooking from responsible and sustainable sources. Pursuant to CDP Guidance, the cutoff date noted in this table reflects the establishment of the policy and does not represent the date of the target (which is provided in the other column).

Forest risk commodity

Palm oil

Criteria

Zero gross deforestation/ no deforestation
 No new development on peat regardless of depth
 Restoration and compensation to address past deforestation and conversion
 Avoidance of negative impacts on threatened and protected species and habitats
 No conversion of High Conservation Value areas
 No conversion of High Carbon Stock forests
 Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
 No sourcing of illegally produced and/or traded forest risk commodities
 No sourcing of forest risk commodities from unknown/controversial sources
 Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2019

Commitment target date

2026-2030

Please explain

In addition to our commodity-specific policies, in 2019 we endorsed the New York Declaration of Forests and are working to at least halve the rate of loss of natural forests globally and strive to end natural forests loss by 2030. Pursuant to CDP Guidance, the cutoff date noted in this table reflects the endorsement of the declaration and does not represent the date of the target (which is provided in the other column). We support the private-sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil by no later than 2020.

Forest risk commodity

Cattle products

Criteria

Zero gross deforestation/ no deforestation
 Restoration and compensation to address past deforestation and conversion
 Avoidance of negative impacts on threatened and protected species and habitats
 No conversion of High Conservation Value areas
 No conversion of High Carbon Stock forests
 Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
 No sourcing of illegally produced and/or traded forest risk commodities
 No sourcing of forest risk commodities from unknown/controversial sources

Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2019

Commitment target date

2026-2030

Please explain

In addition to our commodity-specific policies, in 2019 we endorsed the New York Declaration of Forests and are working to at least halve the rate of loss of natural forests globally and strive to end natural forests loss by 2030. Pursuant to CDP Guidance, the cutoff date noted in this table reflects the endorsement of the declaration and does not represent the date of the target (which is provided in the other column).

Forest risk commodity

Soy

Criteria

- Zero gross deforestation/ no deforestation
- Restoration and compensation to address past deforestation and conversion
- Avoidance of negative impacts on threatened and protected species and habitats
- No conversion of High Conservation Value areas
- No conversion of High Carbon Stock forests
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- No sourcing of illegally produced and/or traded forest risk commodities
- No sourcing of forest risk commodities from unknown/controversial sources
- Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2019

Commitment target date

2026-2030

Please explain

In addition to our commodity-specific policies, in 2019 we endorsed the New York Declaration of Forests and are working to at least halve the rate of loss of natural forests globally and strive to end natural forests loss by 2030. Pursuant to CDP Guidance, the cutoff date noted in this table reflects the endorsement of the declaration and does not represent the date of the target (which is provided in the other column). We support the private-sector goal of eliminating deforestation from the production of agricultural commodities. KFC UK&I has committed to ensure all physical shipments of soy to the UK are deforestation and conversion free by 2025 as part of the UK Soy Manifesto.

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	21-30	Our materiality assessment confirmed that sustainable sourcing is an important material issue. This materiality assessment was used in the renewal of our global citizenship and sustainability strategy that reflects our corporate mission to build the world's most loved, trusted & fastest growing restaurant brands. Our sustainability strategy, called the Recipe for Good, is one of the two parts of our corporate vision. Together, with the Recipe for Growth it guides our company. Both are critical for the long-term success of our long-term business objectives. Our Recipe for Good unites our employees, franchisees and suppliers on the priorities that matter and will keep us focused on socially responsible growth, managing risks and serving more goodness to our customers, shareholders, communities and the planet. This is reflected in our fundamental long-term sustainability objectives. 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 of 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources. Our specific, global palm oil and fiber-based packaging policies apply to all brands, regions, countries and suppliers within our operational control. In addition, compliance with these policies is required through our Global Supplier Code of Conduct. Progress is tracked and reported on an annual basis through our global surveys. An example of the incorporation of these long-term business objectives is our endorsement of the New York Declaration on Forests (NYDF). We believe that endorsing the NYDF is an important step forward and we look forward to helping to meet the global private-sector goal of eliminating deforestation from the production of agriculture commodities no later than 2020, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. Yum! Brands currently defines our long-term time horizon as any time period greater than five years. We have selected the threshold that represents our longest current target (aspiration for net-zero by 2050).
Strategy for long-term objectives	Yes, forests-related issues are integrated	21-30	Our materiality assessment confirmed that sustainable sourcing is an important material issue. This materiality assessment was used in the renewal of our global citizenship and sustainability strategy. Our sustainability strategy, called the Recipe for Good, is one of the two parts of our corporate vision. Together, with the Recipe for Growth it guides our company. Both are critical for the success of our long-term business objectives. This is reflected in our fundamental long-term sustainability objectives. First, it is to design, build and operate restaurants to be measurably more sustainable. Second is to work to elevate the supply chain 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. Our global palm oil and fiber-based packaging policies apply to all brands, regions, countries and suppliers within our operational control. Compliance with these policies is required through our Global Supplier Code of Conduct. Progress is tracked and reported on an annual basis. An example of the incorporation of these long-term business objectives is our endorsement of the New York Declaration on Forests (NYDF). We believe that endorsing the NYDF is an important step forward and we look forward to helping to meet the global private sector goal of eliminating deforestation from the production of agriculture commodities no later than 2020 and striving to end natural forest loss by 2030. To help with developing a strategy for achieving long-term objectives building on the NYDF, an example is that in 2021, we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A nodal map and geographic data visualization to allow the overlay of relevant datasets and scouring was created where applicable. Additionally, KFC UK&I has committed to ensuring all physical shipments of soy to the UK are deforestation and conversion free by 2025 as part of the UK Soy Manifesto. Yum! Brands currently defines our long-term time horizon as any time period greater than five years. We have selected the threshold that represents our longest current target (aspiration for net-zero by 2050).
Financial planning	Yes, forests-related issues are integrated	21-30	Our materiality assessment confirmed that sustainable sourcing is an important material issue. This materiality assessment was used in the renewal of our global citizenship and sustainability strategy. Our sustainability strategy, called the Recipe for Good, is one of the two parts of our corporate vision. Together, with the Recipe for Growth it guides our company. Both are critical for the success of our long-term business objectives. This is reflected in our fundamental long-term sustainability objectives. First, it is to design, build and operate restaurants to be measurably more sustainable. Second is to work to elevate the supply chain 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. Our global palm oil and fiber-based packaging policies apply to all brands, regions, countries and suppliers within our operational control. Compliance with these policies is required through our Global Supplier Code of Conduct. Progress is tracked and reported on an annual basis. An example of the incorporation of these long-term business objectives is our endorsement of the New York Declaration on Forests (NYDF). We believe that endorsing the NYDF is an important step forward and we look forward to helping to meet the global private sector goal of eliminating deforestation from the production of agriculture commodities no later than 2020 and striving to end natural forest loss by 2030. To help with financial planning for achieving long-term objectives building on the NYDF, an example is that in 2021, we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A nodal map and geographic data visualization to allow the overlay of relevant datasets and scouring was created where applicable. Additionally, KFC UK&I has committed to ensuring all physical shipments of soy to the UK are deforestation and conversion free by 2025 as part of the UK Soy Manifesto. Yum! Brands currently defines our long-term time horizon as any time period greater than five years. We have selected the threshold that represents our longest current target (aspiration for net-zero by 2050).

F6. Implementation

F6.1

(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.

Target reference number

Target 1

Forest risk commodity

Timber products

Type of target

Third-party certification

Description of target

Purchase 100% of our paper-based packaging with fiber from responsibly managed forest and recycled sources by the end of 2022 (China 2025) as demonstrated by third-party certification in accordance with our policy.

Linked commitment

Zero net/gross deforestation

Traceability point

<Not Applicable>

Third-party certification scheme

FSC (any type)
PEFC (any type)
SFI Chain of Custody
SFI Fiber Sourcing certification

Start year

2014

Target year

2025

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

74

Please explain

Our public goal is to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2022 (China 2025). 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 explicit 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 by reducing deforestation relating to the timber that we source. To track our progress, we survey business units worldwide regarding their accomplishments against our sourcing goals. We have worked with key franchisees to achieve results and have also worked to educate suppliers and when necessary, remove them from our supply chain.

Target reference number

Target 2

Forest risk commodity

Palm oil

Type of target

Third-party certification

Description of target

Source 100% of palm oil used for cooking from responsible and sustainable sources as demonstrated by third-party certification in accordance with our policy.

Linked commitment

Zero net/gross deforestation

Traceability point

<Not Applicable>

Third-party certification scheme

RSPO (any type)

Start year

2015

Target year

2021

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

100

Please explain

Our public commitment is to continue our goal, first achieved in 2019, to source 100% of the product used for cooking from responsible and sustainable sources. This goal was chosen because Yum! sources a large volume of palm oil used for cooking and we are committed to using environmentally preferable palm oil that reduces our impact on the environment and communities where we operate. Our public policy gives explicit preference to suppliers certified by RSPO. Levels of traceability vary according to certification and region. Yum! sustainable sourcing policies and principles are intended to mitigate our impact on climate change by reducing deforestation relating to the palm oil that we source. To track our progress, we survey business units worldwide regarding their accomplishments against our sourcing goals. We have worked with key franchisees to achieve results and have also worked to educate suppliers and when necessary, remove them from our supply chain. Please note that this target is rolling in nature (an ongoing goal to source 100% sustainable palm oil each year). As such, we have reported the target year as the given reporting year (2021).

Target reference number

Target 3

Forest risk commodity

Cattle products

Type of target

Engagement with direct suppliers

Description of target

We endorsed the New York Declaration on Forests (NYDF) are working toward the private sector goal of elimination deforestation from the production of agriculture commodities by 2020. Our initial goal is to have 100% of U.S. and Canada beef and dairy suppliers complete climate change education by 2023 or have a SBTi approved targets in place. Training is being done through with a third-party program, Supplier Leadership on Climate Transition, to drive awareness and encourage the setting of targets.

Linked commitment

Zero net/gross deforestation

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Start year

2021

Target year

2023

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

56

Please explain

Cattle based greenhouse gas emissions are a key part of addressing Climate Change at Yum!. Preventing deforestation is an important part of reducing emissions. As part of addressing this, we have set our initial goal to have 100% of U.S. and Canada beef and dairy suppliers complete climate change education by 2023 or have a SBTi approved targets in place. We are currently at 75% for beef and 46% for dairy. Training is being done through a third-party program, Supplier Leadership on Climate Transition, to drive awareness and encourage the setting of targets. We are planning to expand the program to suppliers based outside of the United States.

Target reference number

Target 4

Forest risk commodity

Soy

Type of target

Traceability

Description of target

We endorsed the New York Declaration on Forests (NYDF) and are working toward the private sector goal of elimination deforestation from the production of agricultural commodities including soy. KFC UK&I has committed to ensure all physical shipments of soy to the UK are deforestation and conversion free by 2025 as part of the UK Soy Manifesto. By 2025, we aim to source 100% of the soy in our supply chain (embedded soy or soy used as an ingredient) from physically traceable, sustainable, deforestation and conversion-free sources.

Linked commitment

Zero net/gross deforestation

Traceability point

Plantation

Third-party certification scheme

<Not Applicable>

Start year

2020

Target year

2025

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

78

Please explain

This goal for UK& I will help inform the broader Yum! system. This commitment also reinforces KFC UK&I procurement procedures, considering compliance with the main socio-environmental criteria, in particular on deforestation in Argentina (Chaco biome), Brazil (Amazon and Cerrado biomes), and Paraguay (Chaco biome). This commitment is also directly linked to our Ethical Sourcing Policy, as we want to promote responsible production of soy, which benefits farmers and surrounding communities, and which respects and upholds the rights of workers, indigenous peoples and communities. The strategy for soy is based on three pillars: transparency; certification and engagement; and alternative solutions and reduction.

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Description of traceability system	Exclusions	Description of exclusion
Timber products	Yes	As we are a large, decentralized company with numerous packaging suppliers globally, we have multiple systems that enable traceability of our commodities. Our supply chain management and quality assurance processes include traceability of our product ingredients and suppliers' incoming raw materials. We conduct food safety and quality systems audits to verify suppliers' traceability information. We also give preference to suppliers who have FSC certification (or secondarily, SFI or PEFC), thus providing us with additional, third-party certified traceability. Depending on the specific certification scheme used per market, there are multiple points to which timber used in paper packaging could be deemed traceable in the system, varying from the country down to the forest depending on the scheme used. We issued a global survey for our entire business, through our brands, requesting that all suppliers report on packaging products containing timber (via fiber used in paper packaging). Based on our survey results, the analysis showed that an estimated 34% of our total timber consumption was traceable in 2021 and that the majority of responding suppliers are able to provide traceability at the tree plantation-level. Please note that an estimated 88% of certified virgin timber (excluding recycled sources) is traceable.	Other, please specify (Where information not available)	Our results for the percent of total consumption that is traceable reflects the various certification schemes reported by our markets (and the associated points to which they are traceable). The reported results reflect data gaps that are due to factors including geographic area and supplier limitations. We look forward to improving our ability to gather and report on this information in the future.
Palm oil	Yes	As we are a large, decentralized company with numerous palm oil suppliers globally, we have multiple systems that enable traceability of our commodities. Our supply chain management and quality assurance processes include tracking traceability of our product ingredients and suppliers' incoming raw materials. We conduct food safety and quality system audits to verify suppliers' traceability information. While we give preference to RSPO's Mass Balance, Segregated, and Identify Preserved palm oil supply chain certification schemes, the specific scheme used varies by market. There are multiple points to which palm oil is traceable in the system and it varies between plantation, mill and country, depending on the scheme used. We issued a global survey for our entire business, through our brands, requesting that all suppliers report on the traceability of palm oil procured for cooking in our restaurants in 2021. We were pleased to have an estimated representation of 99% of our global store count of over 53,000 restaurants in the survey results. The analysis showed that based on our certified volumes, an estimated 92% of our total palm oil consumption could be traceable in 2021.	Other, please specify (Where information not available)	Our results for the percent of total consumption that is traceable reflects the various certification schemes reported by our markets (and the associated points to which they are traceable). We have published a partial mill list on RSPO. The reported results reflect data gaps resulting from supplier limitations. We look forward to improving our ability to gather and report on this information in the future.
Cattle products	Yes	As we are a large, decentralized company with numerous beef suppliers globally, we have multiple systems that enable traceability of our commodities. Our supply chain management and quality assurance processes include traceability of our product ingredients and suppliers' incoming raw materials. We conduct food safety and quality systems audits to verify suppliers' traceability information. We issued a global survey for Taco Bell and Pizza Hut, through our brands, requesting that all suppliers report on beef products. Approximately 90% of our beef comes from origins of lower deforestation risk as defined by CDP and over 98% is sourced from outside of Brazil. Although the remaining 10% of beef volume comes from countries on CDP's list of countries with higher deforestation risk, it may or may not actually contribute to deforestation. We're continuing to work with WWF to research and understand the specific origins of our supply chain in this area.	Other, please specify (Where information not available)	The reported results reflect data gaps that are due to factors including geographic area and supplier limitations. We're continuing to work with WWF to research and understand the specific origins of our supply chain in this area. Please note that this is our second year reporting this commodity and as such, we look forward to improving our ability to gather and report on this information in the future.
Soy	Yes	As we are a large, decentralized company with numerous soy suppliers globally, we have multiple systems that enable traceability of our commodities. Our supply chain management and quality assurance processes include traceability of our product ingredients and suppliers' incoming raw materials. We conduct food safety and quality systems audits to verify suppliers' traceability information. For the first time we issued a global soy in feed survey for our entire business, through our brands, requesting that all suppliers report on the traceability of soy in 2021. Based on the 2021 survey results, approximately 59% of suppliers were able to report traceability data. The analysis showed that based on our certified volumes, an estimated 63% of our soy consumption could be traceable to the mill-level in 2021. As this was the first year of collecting data, we expect refinement in the future. We're continuing to work with WWF to research and understand the specific origins of our supply chain in this area.	Other, please specify (Where information not available)	The reported results reflect data gaps that are due to factors including geographic area and supplier limitations. We're continuing to work with WWF to research and understand the specific origins of our supply chain in this area. Please note that this is our first year reporting this commodity and as such, we look forward to improving our ability to gather and report on this information in the future.
Other - Rubber	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable >	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	% of total production/consumption volume traceable
Timber products	Mill	4
Timber products	Tree plantation	29
Timber products	Forest management unit	2
Palm oil	Mill	92
Cattle products	Fattening farm	94
Soy	Mill	63

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	Yes	53.9
Palm oil	Yes	100
Cattle products	Yes	89
Soy	Yes	36
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

10.8

Form of commodity

Paper

Volume of production/ consumption certified

48054

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

FSC Controlled Wood

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

0.7

Form of commodity

Paper

Volume of production/ consumption certified

2938

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

FSC Forest Management certification

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

2

Form of commodity

Paper

Volume of production/ consumption certified

9030

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

FSC Recycled

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

15

Form of commodity

Paper

Volume of production/ consumption certified

66475

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

PEFC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

3.6

Form of commodity

Paper

Volume of production/ consumption certified

15806

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

PEFC Sustainable Forest Management certification

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

0.2

Form of commodity

Paper

Volume of production/ consumption certified

1032

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

SFI Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

3

Form of commodity

Paper

Volume of production/ consumption certified

13080

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

SFI Fiber Sourcing certification

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

14.7

Form of commodity

Paper

Volume of production/ consumption certified

65068

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Timber products

Third-party certification scheme

Other, please specify (Unknown)

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

3.9

Form of commodity

Paper

Volume of production/ consumption certified

17226

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to suppliers who provide paper-packaging certified by a third-party, which meets the most rigorous forest management standards, which is currently FSC. However, to account for market differences, we also recognize other national certifications endorsed by the PEFC and SFI, provided the fiber avoids the unwanted sources listed in our Sustainable Sourcing Principles. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on fiber used in our paper-based packaging on an annual basis. Approximately 3.9% of total volume (7% of our certified volume) is from unknown certification schemes based on reporting gaps in our annual survey. An estimated 39% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 35% of our reported paper-based packaging came from recycled sources, of which 43% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 26% of our supply based on reported data. Our public goal is to reach 100% of fiber used in paper packaging from responsible and recycled sources by the end of 2022 (China 2025).

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Credits/Book & Claim

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

55.9

Form of commodity

Refined palm oil

Volume of production/ consumption certified

129057

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well only source palm oil from suppliers who meet our six principles of our Palm Oil Policy. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on palm oil used on an annual basis. The responses we received represent an estimated 99% of our global store count of over 53,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchasing of RSPO credits an estimated 55.9% of our system volume is covered by RSPO Book & Claim credit purchasing.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Mass Balance

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

39.56

Form of commodity

Refined palm oil

Volume of production/ consumption certified

91318

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well only source palm oil from suppliers who meet our six principles of our Palm Oil Policy. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on palm oil used on an annual basis. The responses we received represent an estimated 99% of our global store count of over 53,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchasing of RSPO, an estimated 39.56% of that volume is certified by RSPO Mass Balance.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Segregated

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

4.53

Form of commodity

Refined palm oil

Volume of production/ consumption certified

10467

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well only source palm oil from suppliers who meet our six principles of our Palm Oil Policy. We issue a global survey for our entire business, through our brands, requesting that all suppliers report on palm oil used on an annual basis. The responses we received represent an estimated 99% of our global store count of over 53,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchasing of RSPO, an estimated 4.53% of that volume is certified by RSPO Segregated.

Forest risk commodity

Cattle products

Third-party certification scheme

Other, please specify (USDA-MSA, Bord Bia, Red Tractor, NAMI, GSFS)

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

89

Form of commodity

Beef

Volume of production/ consumption certified

172573

Metric for volume

Metric tons

Is this certified by more than one scheme?

Yes

Please explain

Currently we do not have a global requirement for beef provided to the brands to be third-party certified with the listed sustainability standards. These standards for beef need to be better developed and more widely adopted to enable this evolution. However, we do ask suppliers to provide information on all certifications that they use within our annual survey, thereby encouraging them to continue to adopt standards. We received responses representing an estimated 69% of our Pizza Hut, Taco Bell and Habit Burger restaurants (KFC does not use a material amount of beef). For restaurants that were not represented by the survey results, we added an estimate of consumption based on a per restaurant average from reporting restaurants. Based on the results of our 2021 analysis, an estimated 89% of total beef volume was certified by various third-party certification schemes, including USDA-MSA, Bord Bia, Red Tractor, North American Meat Institute, and the Global Standard for Food Safety. We are continuing to work with suppliers to refine data gathering and monitor beef standards as they develop.

Forest risk commodity

Soy

Third-party certification scheme

RTRS (any type)

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

17

Form of commodity

Soy bean meal

Volume of production/ consumption certified

390122

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

For the first time we issued a global soy in feed survey for our entire business, through our brands, requesting that all suppliers report on their soy volumes in 2021. The analysis showed that based on our survey results and estimated volumes, approximately 36% of our soy consumption could be covered by various certification schemes. Approximately 17% is covered by RTRS certifications, including Chain of Custody, Responsible Soy Production and Certificate Trading schemes. As this was the first year of collecting data, we expect refinement in the future. We're continuing to work with WWF and our suppliers to research and understand our supply chain in this area.

Forest risk commodity

Soy

Third-party certification scheme

International Sustainability and Carbon Certification (ISCC)

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

0.4

Form of commodity

Soy bean meal

Volume of production/ consumption certified

8074

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

For the first time we issued a global soy in feed survey for our entire business, through our brands, requesting that all suppliers report on their soy volumes in 2021. The analysis showed that based on our survey results and estimated volumes, approximately 36% of our soy consumption could be covered by various certification schemes. Approximately 0.4% is covered by ISCC. As this was the first year of collecting data, we expect refinement in the future. We're continuing to work with WWF and our suppliers to research and understand our supply chain in this area.

Forest risk commodity

Soy

Third-party certification scheme

ProTerra certification

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

8

Form of commodity

Soy bean meal

Volume of production/ consumption certified

176657

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

For the first time we issued a global soy in feed survey for our entire business, through our brands, requesting that all suppliers report on their soy volumes in 2021. The analysis showed that based on our survey results and estimated volumes, approximately 36% of our soy consumption could be covered by various certification schemes. Approximately 8% is covered by ProTerra. As this was the first year of collecting data, we expect refinement in the future. We're continuing to work with WWF and our

suppliers to research and understand our supply chain in this area.

Forest risk commodity

Soy

Third-party certification scheme

Roundtable on Sustainable Biomaterials

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

0.02

Form of commodity

Soy bean meal

Volume of production/ consumption certified

360

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

For the first time we issued a global soy in feed survey for our entire business, through our brands, requesting that all suppliers report on their soy volumes in 2021. The analysis showed that based on our survey results and estimated volumes, approximately 36% of our soy consumption could be covered by various certification schemes. Approximately 0.02% is covered by RSB. As this was the first year of collecting data, we expect refinement in the future. We're continuing to work with WWF and our suppliers to research and understand our supply chain in this area.

Forest risk commodity

Soy

Third-party certification scheme

Other, please specify (Cefetra Certified Responsible Soy (CRS), Donau Soja / Europe Soja)

Chain-of-custody model used

Not applicable

% of total production/consumption volume certified

10.58

Form of commodity

Soy bean meal

Volume of production/ consumption certified

232293

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

For the first time we issued a global soy in feed survey for our entire business, through our brands, requesting that all suppliers report on their soy volumes in 2021. The analysis showed that based on our survey results and estimated volumes, approximately 36% of our soy consumption could be covered by various certification schemes. Approximately 10.58% is covered by other schemes including CRS and Europe Soja. As this was the first year of collecting data, we expect refinement in the future. We're continuing to work with WWF and our suppliers to research and understand our supply chain in this area.

F6.4

(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?

	A system to control, monitor or verify compliance	Comment
Timber products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Palm oil	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Cattle products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Soy	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.4a

(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement

your no conversion and/or deforestation commitment(s).

Forest risk commodity

Timber products

Operational coverage

Direct operations
Supply chain

Description of control systems

Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Supplier Code of Conduct. Our policy for fiber-based packaging includes using third-party certification systems to demonstrate compliance. This is done on an annual basis. Yum! recognizes systems including FSC, PEFC and SFI and requests that suppliers provide the volume of material and specific certification system used. This data is compiled and reviewed to ascertain compliance with the policy, progress on goals and whether corrective measures (up to and including removal from the Yum! supply chain) are warranted. Our goal is for suppliers to use 100% certified (ie. FSC, SFI, PEFC) or recycled materials by the end of 2022 (China 2025). In addition to adhering to this certification, we reserve the right to address suppliers not conforming to our policy with evidence of bad behavior.

Monitoring and verification approach

Third-party verification

% of total volume in compliance

71-80%

% of total suppliers in compliance

91-99%

Response to supplier non-compliance

Retain & engage
Suspend & engage
Exclude
No response

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
Providing information on appropriate actions that can be taken to address non-compliance
Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Supplier Code of Conduct. Our policy for fiber-based packaging includes using third-party certification systems to demonstrate compliance. This is done on an annual basis. Yum! recognizes systems including FSC, PEFC and SFI and requests that suppliers provide the volume of material and specific certification system used. This data is compiled and reviewed to ascertain compliance with the policy, progress on goals and if corrective measure, up to and including removal from the Yum! supply chain, are warranted. Our goal is for suppliers to use 100% certified or recycled materials by the end of 2022 (China 2025). As of 2021, an estimated 95% of suppliers reported that at least a portion of their supply came from recycled and/or certified sources. Based on this data, an estimated 74% of total fiber volume was from recycled or certified sources. In addition to adhering to this certification, we reserve the right to address suppliers not conforming to our policy with evidence of bad behavior. We have taken action in the past as APP, APRIL and its subsidiaries have been removed from the Yum! system as approved suppliers. Yum! supply chain leaders are responsible for evaluating the severity of non-compliance, developing corrective action plans and if necessary, removal of suppliers from the system in consultation with other functions and partners.

Forest risk commodity

Palm oil

Operational coverage

Direct operations
Supply chain

Description of control systems

Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Supplier Code of Conduct. Our policy for palm oil used for cooking includes using third-party certification systems, primarily and preferable RSPO, to demonstrate compliance. This is done on an annual basis. Yum! requests that suppliers provide the volume of material and specific certification system used. This data is compiled and reviewed to ascertain compliance with the policy, progress on goals and if corrective measure, up to and including removal from the Yum! supply chain, are warranted. Our ongoing commitment is to use RSPO certified palm oil. In addition to adhering to this certification, we reserve the right to address suppliers not conforming to our policy with evidence of bad behavior.

Monitoring and verification approach

Third-party verification

% of total volume in compliance

100%

% of total suppliers in compliance

71-80%

Response to supplier non-compliance

Retain & engage
Suspend & engage
Exclude
No response

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
Providing information on appropriate actions that can be taken to address non-compliance
Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Supplier Code of Conduct. Our policy for palm oil used for

cooking includes using third-party certification systems, primarily and preferably RSPO, to demonstrate compliance. This is done on an annual basis. Yum! requests that suppliers provide the volume of material and specific certification system used. This data is compiled and reviewed to ascertain compliance with the policy, progress on goals and if corrective measure, up to and including removal from the Yum! supply chain, are warranted. The responses we received represent an estimated 99% of our global store count of over 53,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchase of RSPO Book and Claim credits, it is estimated that all of the procured volume of palm oil used for cooking supported the production of sustainable palm oil. In addition to adhering to this certification, we reserve the right to address suppliers not conforming to our policy with evidence of bad behavior. We have taken action in the past as Indofood has been removed from the Yum! system as an approved supplier. Yum! supply chain leaders are responsible for evaluating the severity of non-compliance, developing corrective action plans and if necessary, removal of suppliers from the system in consultation with other functions and partners.

Forest risk commodity

Cattle products

Operational coverage

Direct operations
Supply chain

Description of control systems

Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Supplier Code of Conduct. Our policy for cattle does not require a certification system to demonstrate compliance, however, we do recognize and encourage third-party certification systems. Voluntary reporting in beef certification schemes is done on an annual basis. Yum! requests that suppliers provide the volume of material and specific certification system used. This data is compiled and reviewed to ascertain compliance with the policy, progress on goals. Our commitment is to procure beef in accordance with our endorsement of the NYDF. As such we have begun working to better understand the sourcing of beef within our system. We reserve the right to address suppliers not conforming to our policy with evidence of bad behavior. The focus is on suppliers with exposure to areas of higher tropical deforestation risk.

Monitoring and verification approach

Other, please specify (Self-Reporting - Traceability)

% of total volume in compliance

81-90%

% of total suppliers in compliance

51-60%

Response to supplier non-compliance

Retain & engage
Suspend & engage
Exclude
No response

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
Providing information on appropriate actions that can be taken to address non-compliance
Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Supplier Code of Conduct. Our policy for cattle does not require a certification system to demonstrate compliance, however, we do recognize and encourage third-party certification systems which are voluntarily reported on an annual basis. A challenge that we face in moving toward setting a requirement is the lack of a robust, well adopted third-party system. Our commitment is to procure beef in accordance with our endorsement of the NYDF. We reserve the right to address suppliers not conforming to our policy with evidence of bad behavior and focuses on suppliers with exposure to areas of higher deforestation risk. Yum! supply chain leaders are responsible for evaluating the severity of non-compliance, developing corrective action plans and if necessary, removal of suppliers from the system. In 2021, an estimated 90% of total beef volume was sourced from countries of low deforestation risk as defined by CDP and over 98% was sourced from outside of Brazil. Approximately 89% was covered by various third-party certification schemes. Approximately 55% of our responding suppliers reported low-risk origins. We look forward to improving our ability to gather and report on this information in the future and continue to monitor beef standards as they develop.

Forest risk commodity

Soy

Operational coverage

Direct operations
Supply chain

Description of control systems

In 2019, Yum! endorsed the New York Declaration on Forests, committing to end natural forest loss by 2030. In order to reach this goal, Yum! takes a multifaceted approach to tackling deforestation within our supply chain. In addition to partnering with consultants and NGOs to better understand the broader situation including regulations, Yum! uses satellite technology to monitor deforestation risk. Most recently, we leveraged Global Forest Watch Pro to monitor and mitigate deforestation risks across our soy supply chain. We also used a territorial database to evaluate socio-environmental and deforestation risk within our Brazilian soy supply chain. We continue to research options to expand and advance our monitoring capability across core commodities, as well as engage with stakeholders on this topic.

Monitoring and verification approach

Geospatial monitoring tool
Third-party verification
Other, please specify (Self-Reporting - Traceability)

% of total volume in compliance

61-70%

% of total suppliers in compliance

51-60%

Response to supplier non-compliance

Retain & engage
Suspend & engage
Exclude

No response

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
 Providing information on appropriate actions that can be taken to address non-compliance
 Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
 Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

Suppliers are required to adhere to all environmental policies established by Yum! as stated in the Yum! Global Supplier Code of Conduct. Our policy for soy does not require a certification system to demonstrate compliance, however, we do recognize and encourage third-party certification systems. Voluntary reporting in soy certification schemes is done on an annual basis. Yum! requests that suppliers provide the volume of material and specific certification system used. This data is compiled and reviewed to ascertain compliance with the policy, progress on goals. Our commitment is to procure soy in accordance with our endorsement of the NYDF. As such we have begun working to better understand the sourcing of soy within our system. We reserve the right to address suppliers not conforming to our policy with evidence of bad behavior. Yum! supply chain leaders are responsible for evaluating the severity of non-compliance, developing corrective action plans and if necessary, removal of suppliers from the system in consultation with other functions and partners. Based on the results of our inaugural Soy supplier survey, an estimated 62.24% of total soy volume was sourced from countries of low deforestation risk as defined by CDP. Approximately 57% of our responding suppliers reported low-risk origins. We look forward to improving our ability to gather and report on this information in the future.

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations	Comment
Timber products	Yes, from suppliers	<Not Applicable>
Palm oil	Yes, from suppliers	<Not Applicable>
Cattle products	Yes, from suppliers	<Not Applicable>
Soy	Yes, from suppliers	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.6a

(F6.6a) For your disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Timber products

Procedure to ensure legal compliance

As part of our annual sustainability survey, we request all fiber-based product suppliers to state if they are in compliance with the Brazilian Forest Code and request details of their approaches or processes to comply with applicable forest regulations and mandatory standards. In 2021, approximately 87% of our Timber suppliers that sourced from Brazil reported that they monitor and are compliant with the Brazilian Forest Code. Compliance is tracked using Certifications from Forest Stewardship Council (FSC) Brazil and The Programme for the Endorsement of Forest Certification (PEFC); Certificates of Origin; Chain of Custody Certification Reports; and audits of the certification companies. The number of suppliers represents a rounded estimate based on the number of Timber suppliers that responded to the Survey for 2021. Supplier responses to the survey are indications, but not assurance, of legal compliance.

Country/Area of origin

- Argentina
- Australia
- Brazil
- Colombia
- Ecuador
- Guatemala
- India
- Indonesia
- Malaysia
- Mexico
- Panama
- Philippines
- Thailand
- Viet Nam

Law and/or mandatory standard(s)

Brazilian Forest Code

Comment

Suppliers are subject to the Yum! Supplier Code of Conduct. Suppliers are required to provide products/services that comply with all applicable laws, rules and regulations in the state and/or country in which they operate as well as to adhere to all requirements set out in this Code. Applicable laws and regulations include local, federal and international codes, rules and regulations as well as applicable treaties and industry standards. Furthermore, the Code states that suppliers must comply with industry environmental, agricultural and animal welfare standards and practices, as applicable. Any reported breaches in the Code of Conduct are reviewed and acted upon in accordance with the policy and any legal requirements. Third party certifications are used as indications, but not assurance, of legal compliance.

Palm oil

Procedure to ensure legal compliance

As part of our annual sustainability survey, we request all palm oil suppliers for cooking oil to state if they are in compliance with the Brazilian Forest Code and request details of their approaches or processes to comply with applicable forest regulations and mandatory standards. In 2021, no palm oil suppliers reported sourcing of palm oil for cooking from Brazil. Supplier responses to the survey are indications, but not assurance, of legal compliance.

Country/Area of origin

Ecuador
India
Indonesia
Malaysia
Nigeria
Peru
Thailand

Law and/or mandatory standard(s)

Brazilian Forest Code

Comment

Suppliers are subject to the Yum! Supplier Code of Conduct. Suppliers are required to provide products/services that comply with all applicable laws, rules and regulations in the state and/or country in which they operate as well as to adhere to all requirements set out in this Code. Applicable laws and regulations include local, federal and international codes, rules and regulations as well as applicable treaties and industry standards. Furthermore, the Code states that suppliers must comply with industry environmental, agricultural and animal welfare standards and practices, as applicable. Third party certifications are used as indications, but not assurance, of legal compliance.

Cattle products

Procedure to ensure legal compliance

As part of our annual sustainability survey, we request all beef suppliers to state if they are in compliance with the Brazilian Forest Code and request details of their approaches or processes to comply with applicable forest regulations and mandatory standards. In 2021, 100% of suppliers sourcing beef from Brazil reported that they monitor and comply with the Brazilian Forest Code. Compliance is tracked using certifications and external audits of supplying companies. Supplier responses to the survey are indications, but not assurance, of legal compliance.

Country/Area of origin

Australia
Brazil
Mexico
Nicaragua
Peru
Philippines

Law and/or mandatory standard(s)

Brazilian Forest Code

Comment

Suppliers are subject to the Yum! Supplier Code of Conduct. Suppliers are required to provide products/services that comply with all applicable laws, rules and regulations in the state and/or country in which they operate as well as to adhere to all requirements set out in this Code. Applicable laws and regulations include local, federal and international codes, rules and regulations as well as applicable treaties and industry standards. Furthermore, the Code states that suppliers must comply with industry environmental, agricultural and animal welfare standards and practices, as applicable. Third party certifications are used as indications, but not assurance, of legal compliance.

Soy

Procedure to ensure legal compliance

As part of our annual sustainability survey, we request all soy suppliers to state if they are in compliance with the Brazilian Forest Code and request details of their approaches or processes to comply with applicable forest regulations and mandatory standards. In 2021, 31% of suppliers sourcing soy from Brazil reported that they monitor and comply with the Brazilian Forest Code. Compliance is tracked using certifications and external audits of supplying companies. Supplier responses to the survey are indications, but not assurance, of legal compliance.

Country/Area of origin

Argentina
Bolivia (Plurinational State of)
Brazil
India
Paraguay
Zambia

Law and/or mandatory standard(s)

Brazilian Forest Code

Comment

Suppliers are subject to the Yum! Supplier Code of Conduct. Suppliers are required to provide products/services that comply with all applicable laws, rules and regulations in the state and/or country in which they operate as well as to adhere to all requirements set out in this Code. Applicable laws and regulations include local, federal and international codes, rules and regulations as well as applicable treaties and industry standards. Furthermore, the Code states that suppliers must comply with industry environmental, agricultural and animal welfare standards and practices, as applicable. Third party certifications are used as indications, but not assurance, of legal compliance.

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.
Palm oil	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.
Cattle products	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.
Soy	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Timber products	Yes, working with direct suppliers	Supply chain mapping	Supplier questionnaires on environmental and social indicators Developing or distributing supply chain mapping tool Supplier audits	91-99%	In 2021, we attempted to engage with approximately 100% of our direct suppliers, with varying levels of engagement, to improve capacity to supply sustainable raw materials, and procurement teams to understand current progress against our goal of sourcing 100% sustainable fiber by the end of 2022 (China 2025). Our primary engagement approach is our annual survey (supplier questionnaires). We support our suppliers that share our goals around sustainable materials by recognizing their achievements and continuing our partnership. We are proud of the progress we've made and are working with our suppliers to promote their progress so that they are on track to meet our commitment. For example, we're proud that two of our packaging suppliers in North America won an American Forest and Paper Association sustainability award for sustainable forest management. Our Food Safety Quality Assurance Team (FSQA) regularly audits suppliers on key measures on other requirements around product quality, safety and compliance. They use a global management platform to facilitate this work. In 2020-2021 Yum! Global Sustainability started deployment of a sustainability module integrated with this tool to facilitate supply chain mapping in order to increase our capability to engage with suppliers on fiber-based products and to gather data. This will give suppliers the ability to access their submitted data and view trends over time. Suppliers will be able to keep more closely attuned to requirements and progress being made by the overall system.
Palm oil	Yes, working with direct suppliers	Supply chain mapping	Supplier questionnaires on environmental and social indicators Developing or distributing supply chain mapping tool Supplier audits	91-99%	In 2021, we attempted to engage with nearly 100% of our direct suppliers, with varying levels of engagement to improve capacity to supply sustainable palm oil, and procurement to meet our commitment to source 100% of the product used for cooking from responsible and sustainable sources. Our primary engagement approach is our annual survey (supplier questionnaires). In particular, we focused on suppliers in markets requiring additional time to transition their supply. We engage with the RSPO through our participation on the Jurisdictional Working Group in support of market transformation. Our Food Safety Quality Assurance Team (FSQA) regularly audits suppliers on key measures on other requirements around product quality, safety and compliance. They use a global management platform to facilitate this work. In 2020-2021 Yum! Global Sustainability started deployment of a sustainability module integrated with this tool to facilitate supply chain mapping in order to increase our capability to engage with suppliers on palm oil products and to gather data. This will give suppliers the ability to access their submitted data and view trends over time. Suppliers will be able to keep more closely attuned to requirements and progress being made by the overall system.
Cattle products	Yes, working with direct suppliers	Supply chain mapping Capacity building	Supplier questionnaires on environmental and social indicators Developing or distributing supply chain mapping tool Supplier audits	71-80%	In 2021, we attempted to engage with nearly 100% of our direct suppliers, with varying levels of engagement to improve capacity to supply sustainable beef products in support of our commitment to the New York Declaration on Forests. Our primary engagement approach is our annual survey (supplier questionnaires). In particular, we focused on suppliers in markets requiring additional time to transition their supply. Our Food Safety Quality Assurance Team (FSQA) regularly audits suppliers on key measures on other requirements around product quality, safety and compliance. They use a global management platform to facilitate this work. In 2020-2021 Yum! Global Sustainability started deployment of a sustainability module integrated with this tool to facilitate supply chain mapping in order to increase our capability to engage with suppliers on cattle products and to gather data. This will give suppliers the ability to access their submitted data and view trends over time. Suppliers will be able to keep more closely attuned to requirements and progress being made by the overall system. We are planning to engage all U.S. and Canadian beef and dairy suppliers, as well as poultry in 2021 through with a third-party partner to drive awareness and encourage the setting of science-based targets and sustainability actions.
Soy	No, not working with direct suppliers	<Not Applicable>	<Not Applicable>	<Not Applicable>	In 2021, we attempted to engage with nearly 100% of our direct beef, dairy and poultry suppliers to understand their use of soy in feed in support of our commitment to the New York Declaration on Forests. Our suppliers have worked within their supply chain to provide information on soy. Our primary engagement approach is our annual survey (supplier questionnaires). In particular, we focused on suppliers in markets requiring additional time to transition their supply. In 2020-2021 Yum! Global Sustainability started deployment of a sustainability module integrated with this tool to facilitate chain mapping in order to increase our capability to engage with suppliers on soy products and to gather data. This will give suppliers the ability to access their submitted data and view trends over time. Suppliers will be able to keep more closely attuned to requirements and progress being made by the overall system. In 2021 we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant opensource datasets and scouring was created where applicable.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

(F6.9) Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?

	Are you working beyond first tier?	Type of engagement approach with indirect suppliers	Indirect supplier engagement approach	Please explain
Timber products	Yes, working beyond first tier	Supply chain mapping	Supplier questionnaires on environmental and social indicators	Our sustainable fiber sourcing policy is global and applies to all paper-based food and beverage packaging, therefore, it applies to all suppliers providing these items whether they are first tier suppliers or further back into the supply chain. Some of our global markets have the ability to work beyond the first tier of the supply chain due to the volumes they procure and level of access to and influence with suppliers. Some of our suppliers are vertically integrated which is a helpful enabling factor to working beyond the first tier to manage and mitigate risk. In addition, we engage beyond the first tier through multi-stakeholder dialogues, industry conferences, trade associations, and supply chain collaborations. All suppliers are required to adhere to the Yum! Supplier Code of Conduct which includes compliance with Yum! sustainability policies, positions and goals outlined in our Global Citizenship and Sustainability Report. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress towards reducing the relative environmental footprint of their operations.
Palm oil	Yes, working beyond first tier	Supply chain mapping	Supplier questionnaires on environmental and social indicators	Our sustainable palm oil sourcing policy is global and applies to cooking oil, therefore, it applies primarily to our suppliers providing us with cooking oil versus suppliers who are manufacturing products for us containing palm oil and purchasing palm oil further back in the supply chain. Some of our global markets have the ability to work beyond the first tier of the supply chain due to the volumes they procure and level of access to and influence with suppliers. Some of our suppliers are vertically integrated which is a helpful enabling factor to working beyond the first tier to manage and mitigate risk. In addition, we engage beyond the first tier through multi-stakeholder dialogues, industry conferences, trade associations, and supply chain collaborations. As a result of working beyond the first tier, some of our large regions are already sourcing sustainable palm oil in their secondary ingredients, above and beyond the minimum requirements of our policy (which is focused on our primary use, which is cooking oil). All suppliers are required to adhere to the Yum! Supplier Code of Conduct which includes compliance with Yum! sustainability policies, positions and goals outlined in our Global Citizenship and Sustainability Report. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress towards reducing the relative environmental footprint of their operations.
Cattle products	Yes, working beyond first tier	Supply chain mapping	Supplier questionnaires on environmental and social indicators	Our forest stewardship policy is global and applies to suppliers providing beef products to the supply chain. Our annual sustainability survey that is provided to direct suppliers contains questions that require cascading to and interaction with suppliers beyond the first tier to complete. Some of our global markets have the ability to work beyond the first tier of the supply chain due to the volumes they procure and level of access to and influence with suppliers. Some of our suppliers are vertically integrated which is a helpful enabling factor to working beyond the first tier to manage and mitigate risk. In addition, we engage beyond the first tier through multi-stakeholder dialogues, industry conferences, trade associations, and supply chain collaborations. All suppliers are required to adhere to the Yum! Supplier Code of Conduct which includes compliance with Yum! sustainability policies, positions and goals outlined in our Global Citizenship and Sustainability Report. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress towards reducing the relative environmental footprint of their operations.
Soy	Yes, working beyond first tier	Supply chain mapping	Developing or distributing supply chain mapping tools Supplier questionnaires on environmental and social indicators	Our forest stewardship policy is global and applies to suppliers providing soy products to the supply chain. Our annual sustainability survey that is provided to direct suppliers contains questions that require cascading to and interaction with suppliers beyond the first tier to complete. Some of our global markets have the ability to work beyond the first tier of the supply chain due to the volumes they procure and level of access to and influence with suppliers. Some of our suppliers are vertically integrated which is a helpful enabling factor to working beyond the first tier to manage and mitigate risk. In addition, we engage beyond the first tier through multi-stakeholder dialogues, industry conferences, trade associations, and supply chain collaborations. All suppliers are required to adhere to the Yum! Supplier Code of Conduct which includes compliance with Yum! sustainability policies, positions and goals outlined in our Global Citizenship and Sustainability Report. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress towards reducing the relative environmental footprint of their operations. In 2021 we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. We also worked to identify soya meal supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant opensource datasets and scouring was created where applicable.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.10

(F6.10) Do you engage in landscape (including jurisdictional) approaches to progress shared sustainable land use goals?

	Do you engage in landscape/jurisdictional approaches?	Primary reason for not engaging in landscape and/or jurisdictional approaches	Please explain why your organization does not engage in landscape/jurisdictional approaches, and describe plans to engage in the future
Row 1	Yes, we engage in landscape/jurisdictional approaches	<Not Applicable>	<Not Applicable>

F6.10a

(F6.10a) Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

	Criteria for prioritizing landscapes/jurisdictions for engagement	Please explain
Row 1	Opportunity for increased human well-being in area Response to regulation Risk of deforestation/conversion Risk of forest/land degradation Risk of supplier non-compliance in area	Yum! Brands endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agriculture commodities such as beef, soy, palm oil and paper products. Our Chief Sustainability Officer has served on the RSPO Jurisdictional Working Group (JWG) in support of developing a framework for sustainable palm oil. The RSPO's adoption of the jurisdictional approach is part of their theory of change "seeks to improve the quality of life of oil palm farmers, create a more prosperous oil palm industry, and enable us to better conserve our planet and its resources."

F6.10b

(F6.10b) Provide details of your engagement with landscape/jurisdictional approaches to sustainable land use during the reporting year.

Country/Area

Malaysia

Name of jurisdiction or landscape area

Sabah

Is the landscape defined by administrative boundaries of sub-national governments and does the approach have active government involvement?

Yes, the landscape is defined by administrative boundaries and the approach has active government involvement

Brief description of landscape/ jurisdictional approach

Yum! Brands endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agriculture commodities such as beef, soy, palm oil and paper products. Our Chief Sustainability Officer has served on the RSPO Jurisdictional Working Group (JWG) in support of developing a framework for sustainable palm oil. The RSPO's adoption of the jurisdictional approach is part of their theory of change "seeks to improve the quality of life of oil palm farmers, create a more prosperous oil palm industry, and enable us to better conserve our planet and its resources."

Forest risk commodities relevant to this landscape/jurisdictional approach

Palm oil

Type of engagement

Supporter: Implement activities to support at least one goal

Description of engagement

RSPO Jurisdictional Working Group (JWG)

Goals supported by engagement

Decreased ecosystem degradation rate
Avoided deforestation/conversion of other natural ecosystems
Simplified administrative requirements in place for smallholders to easier gain access to the market
Local government policy development aligned with landscape goals
Increased commodity traceability in landscape/jurisdiction
Reliable landscape monitoring/data collection system
Systems in place to protect local community rights
Greater smallholder inclusion
Increased adoption of sustainable production practices

Company actions supporting approach

Help establish an entity responsible for managing the initiative and its activities with clear and transparent governance roles, responsibilities and decision-making for different stakeholders in that initiative

Implementation partner(s)

RSPO Jurisdictional Working Group (JWG)

Engagement start year

2017

Engagement end year

Please specify (2022)

Total investment over the project period (currency)

15000

Details of your investment

Investment has been in the form of committee support.

Type of assessment framework

Commodities Jurisdictions Approach

Is progress monitored and publicly reported on?

No

State the achievements of your engagement so far, and how progress is monitored

<Not Applicable>

F6.11

(F6.11) Do you participate in any other external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Not applicable

Subnational area

Not applicable

Initiatives

Other, please specify (New York Declaration on Forests, Tropical Forest Alliance)

Please explain

Our endorsement of the New York Declaration on Forests (NYDF) is a milestone. We believe that endorsing the NYDF is an important step forward and we look forward to supporting and helping to meet the global 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, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. Our Chief Sustainability Officer is currently a member of the NYDF Refresh Process looking to make updates to the declaration and framework. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multistakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains. We worked with WWF between 2013 and 2014 to develop our initial public policy and goal, and continued to partner with them in 2017-2018 to complete a supply chain sustainability risk assessment of key commodities, including Timber. Our engagement with our partner WWF continued in 2019 with a focus on the Brazil supply chain. This includes a landscape analysis and strategic plan to better understand how to reduce deforestation risks. In 2021, we engaged long-time partner World Wildlife Fund (WWF) to consult on our implementation plan aligned with the Accountability Framework initiative. The plan focuses on achieving deforestation- and conversion-free supply for beef and soy from Brazil through a series of actions over the coming months and years. Additionally, we will develop a soy case study describing our work with WWF and overall supplier engagement to help others achieve higher levels of visibility and accountability. This involves reviewing current and future plastics and packaging use, trade-off analysis for design decisions and infrastructure improvement opportunities.

Forest risk commodity

Palm oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Not applicable

Subnational area

Not applicable

Initiatives

Roundtable on Sustainable Palm Oil (RSPO)

Other, please specify (New York Declaration on Forests, Tropical Forest Alliance)

Please explain

Our endorsement of the New York Declaration on Forests (NYDF) is a milestone. We believe that endorsing the NYDF is an important step forward and we look forward to supporting and helping to meet the global 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, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. Our Chief Sustainability Officer is currently a member of the NYDF Refresh Process looking to make updates to the declaration and framework. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multistakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains. Yum! Brands is a member of the RSPO and promotes the use of certified sustainable palm oil by continuing to report progress toward meeting our goal and discussing the importance of sustainable palm oil in combatting deforestation and GHG emissions. We also engage with the RSPO, including through participation in the Jurisdictional Working Group, in support of market transformation.

Forest risk commodity

Cattle products

Do you participate in activities/initiatives?

Yes

Activities

Engaging with non-governmental organizations

Country/Area

Not applicable

Subnational area

Not applicable

Initiatives

<Not Applicable>

Please explain

Taco Bell is a member of the U.S. Roundtable for Sustainable Beef (USRSB) and works with a network of experts comprised of representatives from supply chains, academia, environmental, animal welfare organizations and veterinarians to improve the sustainability of U.S. Grown Beef.

Forest risk commodity

Soy

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Not applicable

Subnational area

Not applicable

Initiatives

Other, please specify (New York Declaration on Forests, Tropical Forest Alliance , UK Roundtable on Sustainable Soy)

Please explain

Our endorsement of the New York Declaration on Forests (NYDF) is a milestone. We believe that endorsing the NYDF is an important step forward and we look forward to supporting and helping to meet the global 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, in addition to at least halving the rate of loss of natural forest globally by 2020 and striving to end natural forest loss by 2030. Our Chief Sustainability Officer is currently a member of the NYDF Refresh Process looking to make updates to the declaration and framework. In addition, we joined the Tropical Forest Alliance in 2021. The Tropical Forest Alliance is a multistakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from palm oil, beef, soy and pulp/paper supply chains. In 2021, we engaged long-time partner World Wildlife Fund (WWF) to consult on our implementation plan aligned with the Accountability Framework initiative. The plan focuses on achieving deforestation- and conversion-free supply for beef and soy from Brazil through a series of actions over the coming months and years. Additionally, we are developing a soy case study describing our work with WWF and overall supplier engagement to help others achieve higher levels of visibility and accountability. This involves reviewing current and future plastics and packaging use, trade-off analysis for design decisions and infrastructure improvement opportunities. KFC UK&I joined the UK Roundtable on Sustainable Soya in 2019. The Roundtable brings together significant players in the UK soya market, providing a pre-competitive space for companies and industry associations to work together to achieve a shared goal of a secure, resilient, sustainable supply of soya to the UK, with joint progress monitoring and reporting. Additionally, KFC UK&I became a signatory of the UK Soy Manifesto in November 2021. This Manifesto is a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion free no later than 2025.

F6.12

(F6.12) Is your organization supporting or implementing project(s) focused on ecosystem restoration and protection?

Yes

F6.12a

(F6.12a) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Project reference

Project 1

Project type

Forest ecosystem restoration

Primary motivation

Voluntary

Description of project

In 2019, we endorsed the New York Declaration of Forests and are working to at least halve the rate of loss of natural forests globally and strive to end natural forests loss by 2030. Our support of this project includes Goal 5 of the New York Declaration of Forests, which is to restore 150 million hectares of degraded landscapes and forestlands by 2020 and significantly increase the rate of global restoration thereafter, which would restore at least an additional 200 million hectares by 2030. To date, the project has been applied in 22 countries with 45 Million hectares under restoration, including Brazil, El Salvador, Mexico, Rwanda, Sri Lanka, United States, Burundi, Cameroon, Colombia, Costa Rica, Democratic Republic of Congo, Ghana, Guatemala, India, Côte d'Ivoire, Kenya, Malawi, Mozambique, Uganda, Ethiopia, Madagascar, and Togo. For the purposes of this disclosure, we have selected the USA as the project country. Please note that reported details represent the progress of the entire project, which we support.

Start year

2019

Target year

2030

Project area to date (Hectares)

26700000

Project area in the target year (Hectares)

350000000

Country/Area

United States of America

Latitude

Longitude

Monitoring frequency

Annually

Measured outcomes to date

Biodiversity

Please explain

Our support of the New York Declaration of Forests includes Goal 5, which is to restore 150 million hectares of degraded landscapes and forestlands by 2020 and significantly increase the rate of global restoration thereafter, which would restore at least an additional 200 million hectares by 2030. To date, the project has been applied in 22 countries with 45 Million hectares under restoration, including Brazil, El Salvador, Mexico, Rwanda, Sri Lanka, United States, Burundi, Cameroon, Colombia, Costa Rica, Democratic Republic of Congo, Ghana, Guatemala, India, Côte d'Ivoire, Kenya, Malawi, Mozambique, Uganda, Ethiopia, Madagascar, and Togo. For the purposes of this disclosure, we have selected the USA as the project country. Please note that reported details represent the progress of the entire project based on the latest updates published by NYDF.

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

No, we are waiting for more mature verification standards/processes

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Limited availability of certified materials

Comment

Increased availability of certified materials would help to improve cost structures and promote the sustainability of our supply chain. In our efforts to meet our goal of 100% sustainable fiber-based products, a number of our markets have expressed this as their key challenge in achieving the target.

Forest risk commodity

Palm oil

Coverage

Supply chain

Primary barrier/challenge type

Limited availability of certified materials

Comment

Increased availability of certified materials would help to improve cost structures and promote the sustainability of our supply chain. Although we have been able to obtain sustainable palm oil, adoption of higher levels of sustainable certification within RSPO would be aided by increased availability and the resulting improved cost structures.

Forest risk commodity

Cattle products

Coverage

Supply chain

Primary barrier/challenge type

Inexistent or immature certification standards

Comment

The development of more mature, well adopted certification standards would help provide a common language and set of expectations with suppliers. This would increase capability to engage and encourage the taking of measure to reduce the industry's environmental footprint. The current set of programs has very low adoption, supplier familiarity and are not at a commercial scale.

Forest risk commodity

Soy

Coverage

Supply chain

Primary barrier/challenge type

Lack of adequate and/or consolidated monitoring

Comment

Our business is several steps removed from soybean production. A lack of adequate monitoring and data sharing between the levels in the value chain makes data collection difficult.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Reduced cost of certification/certified products

Comment

Increased availability of certified materials would help to improve cost structures and promote the sustainability of our supply chain. In our efforts to meet our goal of 100% sustainable fiber-based products a number of our markets have expressed this as their key challenge in achieving the target.

Forest risk commodity

Palm oil

Coverage

Supply chain

Main measure

Reduced cost of certification/certified products

Comment

Increased availability of certified materials would help to improve cost structures and promote the sustainability of our supply chain. Although we have been able to obtain sustainable palm oil, adoption of higher levels of sustainable certification within RSPO would be aided by increased availability and the resulting improved cost structures.

Forest risk commodity

Cattle products

Coverage

Supply chain

Main measure

Development of certification and sustainability standards

Comment

The development of more mature, well adopted certification standards would help provide a common language and set of expectations with suppliers. This would increase capability to engage and encourage the taking of measures to reduce the industry's environmental footprint.

Forest risk commodity

Soy

Coverage

Supply chain

Main measure

Greater supplier awareness/engagement

Comment

Our business is several steps removed from soybean production. A lack of adequate monitoring and data sharing between the levels in the value chain makes data collection difficult.

F17 Signoff

F-FI

(F-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.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms