

OUR RECIPE FOR
GOOD

UNLOCKING OPPORTUNITY FOR GROWTH & GOOD



2019 Global Citizenship &
Sustainability Performance Summary



PEOPLE 2019 Performance Summary

		Goal	Status
Culture & Talent	Create a culture of engagement that attracts, retains and grows the best people and creates high performance in our restaurants.	Measure Yum! Brands' employee engagement.	In 2019, we launched an enhanced global employee engagement survey to all corporate employees, and results showed a 90% engagement level. Yum! outperformed benchmarked companies with engagement among Yum! employees in the 95th percentile.
		Provide Yum! Brands' employees with training and development that builds world-class leaders and business results.	More than 33,000 employees participated in training programs in 2019, including our leadership development program, Heartstyles, and unconscious bias program, Inclusive Leadership, as well as on compliance policies, including our Code of Conduct, with more than 2 million corporate training hours logged.
Equity, Inclusion & Belonging	Build an inclusive culture among our employees, franchisees, suppliers and partners to reflect the diversity of our customers and communities.	Continue building upon ongoing inclusion efforts to help ensure our workplaces are environments where all people can be successful.	Launched the Yum! Unlocking Opportunity Initiative with an investment of \$100 million over the next five years to fight inequality for employees and communities around the globe with a focus on three key areas, one of which is Equity, Inclusion and Belonging.
		Significantly increase the number of women in senior leadership globally and achieve gender parity in leadership globally by 2030 in alignment with Paradigm for Parity®.	Aligned with the Paradigm for Parity®, a coalition of companies working to increase the number of women in senior operating roles. In 2019, 40% of global leadership roles were held by women, and half of our global workforce were women.
		Significantly increase diverse representation of underrepresented minorities in the U.S. among corporate employees.	Increased focus on coaching capability, sponsorship programs and customized individual development plans. Joined We Are All Human's Hispanic Promise, a national pledge to hire, promote, retain and celebrate Hispanics in the workplace.
		Continue rolling out Inclusive Leadership training and anti-racism training across our system, including company-owned and franchise restaurants.	Continued expanding our Inclusive Leadership training to employees and franchisees around the world and started to develop an online module of the program to help provide more access to the curriculum.
Community & Philanthropy	Support global initiatives related to hunger relief, literacy and youth education, as well as nonprofits near our hometown headquarters.	Donate food, funds, time and talent to help local and global communities.	Our global organization donated \$66 million in 2019, supporting brand efforts such as the KFC Foundation, Pizza Hut's BOOK IT! program and the Taco Bell Foundation's Live Más Scholarship. We also donated 5.95 million pounds of food through our Harvest program.
Ethics & Human Rights	Hold our employees, franchisees and suppliers to the highest standards of professional and ethical conduct.	Remain committed to our Global Code of Conduct and Supplier Code of Conduct, which addresses guidelines for working conditions consistent with frameworks such as those of the International Labour Organization (ILO) and the United Nations Guiding Principles on Human Rights.	<ul style="list-style-type: none"> Tracked about 140,000 hours of training on issues related to human rights policies and the ethical treatment of individuals in our system. Established global membership with Sedex, one of the world's leading ethical trade membership organizations that works with business to improve working conditions in global supply chains, to further strengthen our existing supply chain auditing capabilities with focus on human rights and labor practices.



FOOD 2019 Performance Summary

	Goal	Status
Food Safety	Maintain the safest, highest-quality food supply and preparation in the industry.	Through food safety audits, provide restaurant team member training on employee health, product handling, ingredient and product management and prevention of cross-contamination.
	Build on Yum! supplier audit track record and assess 100% of Tier 1 suppliers annually by 2021.	Since 2016, Yum! has conducted more than 367,000 restaurant food safety audits.
Balanced Choices	Be the preferred restaurant for consumers seeking delicious, balanced options by offering more choice and nutritional improvements to our food.	Offer lower-calorie menu options across main dishes, combos and sides, consistent with Yum!'s global nutrition standards that align with the World Health Organization and the Dietary Guidelines for Americans, to continue to improve our food's nutrition. By 2030, we intend to represent 50% of menu food offerings to be consistent with Yum! global nutrition criteria for meal options.
		Provide consumers with convenient access to food information regarding menu labeling and allergens.
		Offer plant-forward product innovation to meet the lifestyle choices of consumers.
		Continue clean label efforts to remove artificial colors, flavors and partially hydrogenated oils (PHOs) where possible from core food ingredients by 2020.
		Reduce sodium across menu options, consistent with Yum!'s global nutrition standards, to continue to improve our food's nutrition. We plan to share progress in 2021.
Raised Responsibly	Be a good steward of the animals raised for food throughout our supply chain.	Continue commitments to reduce antibiotics important to human medicine used in raising animals in the U.S.
		Seek continuous improvements in sustainable production systems that protect human, animal and environmental health as stated in our holistic Sustainable Animal Protein Principles & Good Antimicrobial Stewardship Program.
Responsible Marketing	Promote transparency about our food through responsible labeling and advertising practices in our restaurants and beyond.	Limit marketing communications to children under 12.
		Yum! Brands follows U.S. and international guidelines to avoid marketing to children.



PLANET 2019 Performance Summary

	Goal	Status
Green Buildings	 Reduce average restaurant energy and GHG emissions by an additional 10% , from our 2017 baseline, by the end of 2025.	<ul style="list-style-type: none"> Since 2018, we reduced our company GHG emissions 8.5% on a per-restaurant average. In 2019, our system environmental efforts for restaurants avoided the release of 723,922 MTCO₂e, the equivalent of the annual emissions of 156,399 passenger vehicles driven for a year.
	Yum!'s corporate U.S. offices will use 100% renewable energy by the end of 2020.	We purchased renewable energy credits, entered into a power purchasing agreement to offset our electricity use and are exploring onsite options for the future.
	 Reduce average restaurant water consumption by 10% , from our 2017 baseline, by the end of 2025.	<ul style="list-style-type: none"> Since 2017, water consumption on a per-restaurant basis has increased due to the use of expanded reporting and more usage. In 2019, our conservation measures helped avoid the use of 295,905,766 gallons of water. The World Resources Institute, Aqueduct 3.0, determined 17% of our restaurants are located in areas of high water risk.
	Divert 50% of back-of-house operational waste, measured by weight, generated in our U.S. restaurants by the end of 2020. 	<ul style="list-style-type: none"> In 2019, we estimate that 964,739 tons of solid material was removed from our U.S. restaurants and we avoided the disposal of 20% of that waste. Taco Bell will add recycling and/or composting bins to restaurants where infrastructure permits. KFC Australia diverted about 40% of its waste in 2019.
	Reduce food loss waste 50% by 2030 in accordance with U.S. Food Loss and Waste 2030 Champions.	Yum! Brands and our franchisees donated 5.95 million pounds of food in 2019, with 33 countries participating.
Supply Chain	By 2025, KFC plastic-based, consumer-facing packaging will be recoverable or reusable globally. By 2025, Taco Bell consumer-facing packaging will be recyclable, compostable or reusable globally with chemical additives of concern removed. As intermediate steps, Taco Bell is committed to making all cups recyclable by 2021, and Yum! will remove Styrofoam and expanded polystyrene from all packaging by 2022, as well as meet the goal in its U.S. corporate offices by the end of 2020.	<ul style="list-style-type: none"> The first global survey of purchased plastics was conducted to collect 2019 data. While there is still work to do when it comes to refining our data collection, approximately 18% of resins come from recycled sources, 14% pre-consumer and 4% post-consumer. Expanded polystyrene, of which Styrofoam is a component, consists of 2% of the reported plastic used by our system. KFC markets are working with suppliers to identify, test and implement solutions. Some markets, including Canada, France, Romania and Singapore, have implemented plastic straw bans.
	Source 100% of palm oil used for cooking from responsible and sustainable sources by the end of 2019.	In 2019, 100% of palm oil used for cooking was certified sustainable by the Roundtable for Sustainable Palm Oil. We continue to look for opportunities to reduce the environmental footprint of our palm oil use.
	Purchase 100% of our paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2020.	In 2019, an estimated total of 76% of fiber came from certified forests or recycled sources.
	Endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agriculture commodities such as palm oil, soy, paper and beef products no later than 2020; halving the rate of loss of natural forest globally by 2020; and striving to end natural forest loss by 2030.	<ul style="list-style-type: none"> In 2019, 100% of Brazilian feed mills in our supply chain were audited as compliant in aligning with the Amazon Soy Moratorium to help protect tropical forests. 99% of our reported beef supply was sourced from origins of low-risk tropical deforestation in 2019. In 2019, we disclosed information on our beef usage through CDP Forests.

