F0. Introduction

F0.1

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

Yum! Brands, Inc., based in Louisville, Kentucky, and its subsidiaries franchise or operate a system of over 55,000 restaurants in more than 155 countries and territories under the company’s Concepts – KFC, Taco Bell, Pizza Hut and The Habit Burger Grill. The Company’s KFC, Taco Bell and Pizza Hut brands are global leaders of the chicken, Mexican-style food and pizza categories, respectively. The Habit Burger Grill is a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches and more. In 2022, the Company was named to the Dow Jones Sustainability Index North America. In 2023, Yum! Brands was included on the Bloomberg Gender-Equality Index and Newsweek’s lists recognizing America’s Most Responsible Companies, America’s Greatest Workplaces for Diversity and America’s Greatest Workplaces for Women.

F0.2

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

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start Date</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January 1 2022</td>
<td>December 31 2022</td>
</tr>
</tbody>
</table>

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.

Timber products

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

No, but we do have embedded commodities

Explanation if not disclosing

<Not Applicable>

Palm oil

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

No, but we do have embedded commodities

Explanation if not disclosing

<Not Applicable>

Cattle products

Commodity disclosure

Disclosing

Stage of the value chain

Retailing

Are you disclosing information on embedded commodities?

No, because we have no embedded commodities

Explanation if not disclosing

<Not Applicable>
Soy
Commodity disclosure
Disclosure
Stage of the value chain
Retailing
Are you disclosing information on embedded commodities?
Yes
Explanation if not disclosing
<Not Applicable>

Other - Rubber
Commodity disclosure
This commodity is not produced, sourced or used by our organization
Stage of the value chain
<Not Applicable>
Are you disclosing information on embedded commodities?
<Not Applicable>
Explanation if not disclosing
<Not Applicable>

Other - Cocoa
Commodity disclosure
Not disclosing
Stage of the value chain
Retailing
Are you disclosing information on embedded commodities?
<Not Applicable>
Explanation if not disclosing
We have elected to focus on the areas of 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 the applicability of reporting additional areas in the future. The quantity of cocoa procured is very low and is not a material component of our business.

Other - Coffee
Commodity disclosure
Not disclosing
Stage of the value chain
Retailing
Are you disclosing information on embedded commodities?
<Not Applicable>
Explanation if not disclosing
We have elected to focus on the areas of 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 the applicability of reporting additional areas in the future. The quantity of coffee procured is very low and is not a material component of our business.

F0.5

(F0.5) Select the option that describes the reporting boundary for which forests-related impacts on your business are being reported
Other, please specify (Supply chains at the system level)

F0.6

(F0.6) Select the countries/areas in which you operate.
Albania
Algeria
Andorra
Angola
Antigua and Barbuda
Argentina
Armenia
Aruba
Australia
Austria
Azerbaijan
Bahamas
Bahrain
Bangladesh
Barbados
(F0.7) Are there any parts of your direct operations or supply chain that are not included in your disclosure?
Yes

F0.7a
(F0.7a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value chain stage</td>
<td>Direct operations</td>
</tr>
<tr>
<td>Exclusion</td>
<td>Facility</td>
</tr>
</tbody>
</table>

Description of exclusion
Corporate offices and embedded components in the supply chain are not included. We have also excluded Russia as a result of a recent divestiture.

% of volume excluded
1-5%

Potential for forests-related risk
Potential for forests-related risk but not evaluated

Please explain
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). Our current reporting boundary reflects nearly all reported palm oil for cooking and fiber-based packaging. The percentage shown of volume excluded is an estimate as we don’t currently track volumes of timber products covered by these exclusions. These exclusions do not represent a significant portion of our operations.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value chain stage</td>
<td>Supply chain</td>
</tr>
<tr>
<td>Exclusion</td>
<td>Specific product line(s)</td>
</tr>
</tbody>
</table>

Description of exclusion
Palm oil used as a secondary ingredient.

% of volume excluded
1-5%

Potential for forests-related risk
Potential for forests-related risk but not evaluated

Please explain
The palm oil data reported reflects our current sustainable palm oil policy and goal which applies to palm oil used for cooking because the majority of our palm oil is used as cooking oil. Our current reporting boundary reflects nearly all reported palm oil for cooking. 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. The exclusion does not represent a significant portion of our operations.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value chain stage</td>
<td>Supply chain</td>
</tr>
<tr>
<td>Exclusion</td>
<td>Specific product line(s)</td>
</tr>
</tbody>
</table>

Description of exclusion
Soy used outside of the feed for chickens and cattle.

% of volume excluded
<1%

Potential for forests-related risk
Potential for forests-related risk but not evaluated

Please explain
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. The percentage shown of volume excluded is an estimate as we don’t currently track volumes of soy products covered by this exclusion. The exclusion does not represent a significant portion of our operations.

(F0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.?)

<table>
<thead>
<tr>
<th>Indicate whether you are able to provide a unique identifier for your organization</th>
<th>Provide your unique identifier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, a Ticker Symbol</td>
<td>YUM</td>
</tr>
</tbody>
</table>
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
Australia
Austria
Belgium
Bosnia & Herzegovina
Brazil
Bulgaria
Cambodia
Canada
Chile
China
Colombia
Croatia
Czechia
Denmark
Egypt
Estonia
Finland
France
Germany
Hungary
India
Indonesia
Italy
Japan
Latvia
Lithuania
Luxembourg
Malaysia
Netherlands
New Zealand
Norway
Pakistan
Panama
Poland
Portugal
Republic of Korea
Russian Federation
Saudi Arabia
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Taiwan, China
Thailand
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Uruguay
Viet Nam

% of procurement spend
1-5%

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 U.S.-based survey responses and is used to approximate our total proportional 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
Colombia
Ecuador
Ghana
Indonesia
Malaysia
Mexico
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
Mexico
New Zealand
Peru
Philippines
Russian Federation
Sri Lanka
United States of America

% of procurement spend
6-10%

Comment
Our beef use is largely by our Taco Bell brand. The Habit Burger Grill is also a contributing user. About 88% 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 93% 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
- Brazil
- Kenya
- Netherlands
- Pakistan
- Paraguay
- Romania
- South Africa
- Ukraine
- United States of America
- Zambia
- Zimbabwe

**% 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. Our business is several steps removed from soybean production. Soy is primarily a source of feed for the poultry and cattle that are raised by suppliers who are in our supply chain. 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.

<table>
<thead>
<tr>
<th>% of revenue dependent on commodity</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Timber products</strong> &lt;1%</td>
<td>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 support 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 calculate the percent of revenue dependent on timber alone and have selected less than 1%.</td>
</tr>
<tr>
<td><strong>Palm oil</strong> &lt;1%</td>
<td>Palm oil is used primarily for cooking 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%.</td>
</tr>
<tr>
<td><strong>Cattle products</strong> 6-10%</td>
<td>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 2022. Based on the 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.</td>
</tr>
<tr>
<td><strong>Soy</strong> &lt;1%</td>
<td>Based on our position in the supply chain as a quick-service restaurant company, we don’t procure soy directly. Our business is several steps removed from soybean production. Soy is primarily a source of feed for poultry and a supplemental source for cattle that are raised by suppliers who are in our supply chain. 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 &lt;1%.</td>
</tr>
<tr>
<td><strong>Other - Rubber</strong> &lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Other - Cocoa</strong> &lt;Not Applicable&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Other - Coffee</strong> &lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

### F1.5

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

<table>
<thead>
<tr>
<th></th>
<th>Data availability/Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Timber products</strong></td>
<td>Consumption data available, disclosing</td>
</tr>
<tr>
<td><strong>Palm oil</strong></td>
<td>Consumption data available, disclosing</td>
</tr>
<tr>
<td><strong>Cattle products</strong></td>
<td>Consumption data available, disclosing</td>
</tr>
<tr>
<td><strong>Soy</strong></td>
<td>Consumption data available, disclosing</td>
</tr>
<tr>
<td><strong>Other - Rubber</strong></td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td><strong>Other - Cocoa</strong></td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td><strong>Other - Coffee</strong></td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>
(F1.5a) Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestation- and/or conversion-free.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data type</td>
<td>Consumption data</td>
</tr>
<tr>
<td>Commodity production/ consumption volume</td>
<td>423069</td>
</tr>
<tr>
<td>Metric for commodity production/ consumption volume</td>
<td>Metric tons</td>
</tr>
<tr>
<td>Data coverage</td>
<td>Full commodity production/consumption</td>
</tr>
<tr>
<td>Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?</td>
<td>Yes</td>
</tr>
<tr>
<td>% of reported volume verified as deforestation- and/or conversion-free</td>
<td>63</td>
</tr>
</tbody>
</table>

Please explain

We rely on third-party certification schemes (such as FSC, SFI, and PEFC) for tracking volumes that are considered deforestation/conversion free (DCF). The reported proportion of 2022 DCF volume represents the amount of timber that we sourced from countries of lower deforestation risk as defined by CDP and timber from forest risk countries with third-party certification in place that verified the sustainability and/or traceability of sourced commodity as reported in our annual supplier surveys.

For the purposes of this disclosure, we considered the timber volume sourced from low deforestation risk countries to represent the DCF volume from areas with negligible risk of deforestation. We calculated the percentage of DCF volume being verified through monitoring systems based on volumes sourced from forest risk countries that were certified for the tracking and use of sustainable sources. We calculated the percentage of DCF volume being physically certified based on volumes sourced from forest risk countries that were verified for the use of traceable, sustainably produced sources.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data type</td>
<td>Consumption data</td>
</tr>
<tr>
<td>Commodity production/ consumption volume</td>
<td>232059</td>
</tr>
<tr>
<td>Metric for commodity production/ consumption volume</td>
<td>Metric tons</td>
</tr>
<tr>
<td>Data coverage</td>
<td>Full commodity production/consumption</td>
</tr>
<tr>
<td>Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?</td>
<td>Yes</td>
</tr>
<tr>
<td>% of reported volume verified as deforestation- and/or conversion-free</td>
<td>96</td>
</tr>
</tbody>
</table>

Please explain

We rely on third party certification, such as RSPO, for tracking volumes that are considered deforestation/conversion free (DCF). Based on data reported in our 2022 global supplier survey and our purchase of RSPO Book and Claim credits, it is estimated that 96% of the procured volume of palm oil used for cooking supported the production of sustainable palm oil. For more details, please see our RSPO ACOP disclosure.

For the purposes of this disclosure, we calculated the percentage of deforestation free palm oil volume being verified through monitoring systems based on volumes sourced from forest risk countries that were RSPO certified for the tracking and use of proper separation of sustainable sources or encouraged sustainable palm oil production through the use of certified credits. We calculated the percentage of DCF volume being physically certified based on volumes sourced from forest risk countries that were RSPO verified for the use of traceable, sustainably produced sources.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Cattle products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data type</td>
<td>Consumption data</td>
</tr>
<tr>
<td>Commodity production/ consumption volume</td>
<td>202165</td>
</tr>
<tr>
<td>Metric for commodity production/ consumption volume</td>
<td>Metric tons</td>
</tr>
<tr>
<td>Data coverage</td>
<td>Full commodity production/consumption</td>
</tr>
<tr>
<td>Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?</td>
<td>Yes</td>
</tr>
<tr>
<td>% of reported volume verified as deforestation- and/or conversion-free</td>
<td>100</td>
</tr>
</tbody>
</table>

Please explain

We rely on third party certification, such as RSPO, for tracking volumes that are considered deforestation/conversion free (DCF). Based on data reported in our 2022 global supplier survey and our purchase of RSPO Book and Claim credits, it is estimated that 96% of the procured volume of palm oil used for cooking supported the production of sustainable palm oil. For more details, please see our RSPO ACOP disclosure.

For the purposes of this disclosure, we calculated the percentage of deforestation free palm oil volume being verified through monitoring systems based on volumes sourced from forest risk countries that were RSPO certified for the tracking and use of proper separation of sustainable sources or encouraged sustainable palm oil production through the use of certified credits. We calculated the percentage of DCF volume being physically certified based on volumes sourced from forest risk countries that were RSPO verified for the use of traceable, sustainably produced sources.
Please explain

Our beef use is largely in our Taco Bell brand with the Habit Burger Grill as a contributing user. About 88% 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. In 2022, approximately 82% of our beef came from countries of low deforestation risk as defined by CDP and over 98% was sourced from outside of Brazil. For the purposes of this disclosure, we considered the beef volume sourced from low deforestation risk countries to represent the deforestation/conversion free (DCF) volume from areas with negligible risk of deforestation. 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.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data type</td>
<td>Consumption data</td>
</tr>
<tr>
<td>Commodity production/consumption volume</td>
<td>5236083</td>
</tr>
<tr>
<td>Metric for commodity production/consumption volume</td>
<td>Metric tons</td>
</tr>
<tr>
<td>Data coverage</td>
<td>Full commodity production/consumption</td>
</tr>
</tbody>
</table>

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

58

Please explain

Our business is several steps removed from soybean production. 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 and 2022 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.

For the purposes of this disclosure, we considered the soy volume sourced from low deforestation risk countries by protein suppliers to represent the deforestation/conversion free (DCF) volume from areas with negligible risk of deforestation. We calculated the percentage of DCF volume being verified through monitoring systems based on volumes sourced from forest risk countries that were certified for the tracking and use of sustainable sources.

F1.5b

(F1.5b) Provide a breakdown of your DCF and non-DCF volumes relevant to your stage in the supply chain according to how verification is achieved and the highest level of traceability, respectively.

Timber products – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

95

% of DCF production/consumption volume verified through monitoring systems

2

% of DCF production/consumption volume physically certified

3

% of non-DCF production/consumption volume from unknown origin

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level

<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level

<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

100

Total percentage of production/consumption volume reported (non-DCF) [auto-calculated]

<Not Applicable>
Timber products – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion
<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems
<Not Applicable>

% of DCF production/consumption volume physically certified
<Not Applicable>

% of non-DCF production/consumption volume from unknown origin
86

% of non-DCF production/consumption volume traceable only as far as country level
14

% of non-DCF production/consumption volume traceable only as far as sub-national area
0

% of non-DCF production/consumption volume traceable only as far as processing facility level
0

% of non-DCF production/consumption volume traceable to production unit level
0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]
<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [[auto-calculated]]
100

Palm oil – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion
0

% of DCF production/consumption volume verified through monitoring systems
97

% of DCF production/consumption volume physically certified
3

% of non-DCF production/consumption volume from unknown origin
<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level
<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area
<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level
<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level
<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]
100

Total percentage of production/consumption volume reported (non-DCF) [[auto-calculated]]
<Not Applicable>
### Palm oil – Non DCF

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of DCF production/consumption volume verified through monitoring systems</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of DCF production/consumption volume physically certified</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume from unknown origin</td>
<td>100</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable only as far as country level</td>
<td>0</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable only as far as sub-national area</td>
<td>0</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable only as far as processing facility level</td>
<td>0</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable to production unit level</td>
<td>0</td>
</tr>
<tr>
<td>Total percentage of production/consumption volume reported (DCF) (auto-calculated)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total percentage of production/consumption volume reported (non-DCF) (auto-calculated)</td>
<td>100</td>
</tr>
</tbody>
</table>

### Cattle – DCF

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion</td>
<td>100</td>
</tr>
<tr>
<td>% of DCF production/consumption volume verified through monitoring systems</td>
<td>0</td>
</tr>
<tr>
<td>% of DCF production/consumption volume physically certified</td>
<td>0</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume from unknown origin</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable only as far as country level</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable only as far as sub-national area</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable only as far as processing facility level</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of non-DCF production/consumption volume traceable to production unit level</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total percentage of production/consumption volume reported (DCF) (auto-calculated)</td>
<td>100</td>
</tr>
<tr>
<td>Total percentage of production/consumption volume reported (non-DCF) (auto-calculated)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>
Cattle – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion
<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems
<Not Applicable>

% of DCF production/consumption volume physically certified
<Not Applicable>

% of non-DCF production/consumption volume from unknown origin
61

% of non-DCF production/consumption volume traceable only as far as country level
39

% of non-DCF production/consumption volume traceable only as far as sub-national area
0

% of non-DCF production/consumption volume traceable only as far as processing facility level
0

% of non-DCF production/consumption volume traceable to production unit level
0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]
<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]
100

Soy – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion
99

% of DCF production/consumption volume verified through monitoring systems
1

% of DCF production/consumption volume physically certified
0

% of non-DCF production/consumption volume from unknown origin
<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level
<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area
<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level
<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level
<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]
100

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]
<Not Applicable>
Soy – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion
<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems
<Not Applicable>

% of DCF production/consumption volume physically certified
<Not Applicable>

% of non-DCF production/consumption volume from unknown origin
14

% of non-DCF production/consumption volume traceable only as far as country level
86

% of non-DCF production/consumption volume traceable only as far as sub-national area
0

% of non-DCF production/consumption volume traceable only as far as processing facility level
0

% of non-DCF production/consumption volume traceable to production unit level
0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]
<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]
100

F1.5c

(F1.5c) 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
Australia

State or equivalent jurisdiction
Don't know

% of total production/consumption volume
0.16

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 2022 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 2022 survey, timber sourced from Australia is estimated to represent 0.16% of our total timber volume. The state/equivalent jurisdiction is unknown.

Forest risk commodity
Timber products

Country/Area of origin
Brazil

State or equivalent jurisdiction
Specify state/equivalent jurisdiction (Paraná, São Paulo, Mato Grosso)

% of total production/consumption volume
0.91

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 2022 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 2022 survey, timber sourced from Brazil is estimated to represent 0.91% of our total timber volume and is sourced from the Paraná, São Paulo, and Mato Grosso 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
Cambodia

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 packaging products containing timber (via fiber used in paper-based packaging). In our 2022 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 2022 survey, timber sourced from Cambodia is estimated to represent 0.01% of our total timber volume. The state/equivalent jurisdiction is unknown.

Forest risk commodity
Timber products
Country/Area of origin
Colombia
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 packaging products containing timber (via fiber used in paper-based packaging). In our 2022 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 2022 survey, timber sourced from Colombia is estimated to represent 0.01% of our total timber volume. The state/equivalent jurisdiction is unknown.

Forest risk commodity
Timber products
Country/Area of origin
India
State or equivalent jurisdiction
Specify state/equivalent jurisdiction (Alwar, Rajasthan, Maharashtra, Telangana)
% of total production/consumption volume
5.56

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 2022 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 2022 survey, timber sourced from India is estimated to represent 5.56% of our total timber volume and is sourced from the Alwar, Rajasthan, Maharashtra, and Telangana 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
0.35

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 2022 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 2022 survey, timber sourced from Indonesia is estimated to represent 0.35% 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
Don't know
% of total production/consumption volume
1.37
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 2022 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 2022 survey, timber sourced from Malaysia is estimated to represent 1.37% of our total timber volume. The state/equivalent jurisdiction is unknown.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Panama</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Panamá Province)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>0.01</td>
</tr>
</tbody>
</table>

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 2022 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 2022 survey, timber sourced from Panama is estimated to represent 0.01% of our total timber volume and is sourced from the Panama Province.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Thailand</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Samut Prakan, Ratchaburi, Kanchanaburi Khon Kaen, Samut Sakhon)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>0.04</td>
</tr>
</tbody>
</table>

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 2022 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 2022 survey, timber sourced from Thailand is estimated to represent 0.04% of our total timber volume and is sourced from the Samut Prakan, Ratchaburi, Kanchanaburi Khon Kaen, and Samut Sakhon regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Viet Nam</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Don't know</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>0.07</td>
</tr>
</tbody>
</table>

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 2022 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 2022 survey, timber sourced from Vietnam is estimated to represent 0.07% of our total timber volume. The state/equivalent jurisdiction is unknown.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Unknown origin</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>31.72</td>
</tr>
</tbody>
</table>

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 2022 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.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Any other countries/areas</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>59.79</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>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 2022 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 2022 survey, timber sourced from countries of low deforestation risk represents 59.79% of our total timber volume. These countries include Austria, Belgium, Bosnia &amp; Herzegovina, Bulgaria, Canada, Chile, China, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Italy, Japan, Republic of South Korea, Latvia, Lithuania, Luxembourg, Netherlands, New Zealand, Norway, Pakistan, Poland, Portugal, Russia, Saudi Arabia, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, United Kingdom, Ukraine, United Arab Emirates, the United States, and Uruguay. Pursuant to CDP Guidance, our volumes from these countries have been disclosed together within this row.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Colombia</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Santander, Meta, Cesar)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>1.36</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>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 2022 survey, we requested all global palm oil 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 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 2022 survey, palm oil sourced from Ecuador is estimated to represent 0.12% of our total palm oil volume and is sourced from the Santander, Meta, and Cesar regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Ecuador</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Esmeraldas, Santo Domingo, Manabi)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>0.12</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>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 2022 survey, we requested all global palm oil 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 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 2022 survey, palm oil sourced from Ecuador is estimated to represent 0.12% of our total palm oil volume and is sourced from the Esmeraldas, Santo Domingo, and Manabi regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Ghana</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Eastern Region, Kwaie)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>0.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>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 2022 survey, we requested all global palm oil 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 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 2022 survey, palm oil sourced from Ghana is estimated to represent 0.30% of our total palm oil volume and is sourced from the Eastern Region, Kwaie regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.</td>
</tr>
</tbody>
</table>
palm oil volume and is sourced from the Kwae and Eastern 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 (Kalimantan Tengah, Simalungun, Medan, East Java, West Sumatra)
% of total production/consumption volume
60.37
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 2022 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 98% of our global store count of over 55,000 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 2022 survey, palm oil sourced from Indonesia is estimated to represent 60.37% of our total palm oil volume and is sourced from the Kalimantan Tengah, Simalungun, Medan, East Java, and West Sumatra 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)
% of total production/consumption volume
3.57
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 2022 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 98% of our global store count of over 55,000 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 2022 survey, palm oil sourced from Malaysia is estimated to represent 3.57% of our total palm oil volume and is sourced from the Lahad Datu, Kuala Lumpur, Semporna, Kinabatangan, Sandakan, and Sabah 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
Mexico
State or equivalent jurisdiction
Specify state/equivalent jurisdiction (Chiapas)
% of total production/consumption volume
2.37
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 2022 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 98% of our global store count of over 55,000 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 2022 survey, palm oil sourced from Mexico is estimated to represent 2.37% of our total palm oil volume and is sourced from the Chiapas region.

Forest risk commodity
Palm oil
Country/Area of origin
Nigeria
State or equivalent jurisdiction
Specify state/equivalent jurisdiction (Benin)
% of total production/consumption volume
0.29
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 2022 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 98% of our global store count of over 55,000 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 2022 survey, palm oil sourced from Nigeria is estimated to represent 0.29% 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 (Lima)

% 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 2022 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 98% of our global store count of over 55,000 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 2022 survey, palm oil sourced from Peru is estimated to represent 0.01% of our total palm oil volume and is sourced from the Lima region.

Forest risk commodity
Palm oil

Country/Area of origin
Thailand

State or equivalent jurisdiction
Specify state/equivalent jurisdiction (Surat Thani, Chumphon, Krabi, Prachuap Khiri Khan, Trang)

% of total production/consumption volume
6.5

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 2022 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 98% of our global store count of over 55,000 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 2022 survey, palm oil sourced from Thailand is estimated to represent 6.50% of our total palm oil volume and is sourced from the Surat Thani, Chumphon, Krabi, 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
25.11

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 2022 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 98% of our global store count of over 55,000 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
Cattle products

Country/Area of origin
Australia

State or equivalent jurisdiction
Don't know

% of total production/consumption volume
0.36

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 2022 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 66% 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 2022 analysis, beef sourced from Australia is estimated to represent 0.36% of our total beef volume. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.
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 2022 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 66% 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 2022 analysis, beef sourced from Brazil is estimated to represent 1.56% of our total beef volume and is sourced from the Minas Gerais, Para, Xinguara, and Mato Grasso regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

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 2022 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 66% 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 2022 analysis, beef sourced from Mexico is estimated to represent 4.26% of our total beef volume. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

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 2022 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 66% 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 2022 analysis, beef sourced from Peru is estimated to represent 1.09% of our total beef volume. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

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 2022 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 66% 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 2022 analysis, beef sourced from Philippines is estimated to represent 0.02% of our total beef volume. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.
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.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country/Area of origin</td>
<td>Argentina</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Cordoba, Santa Fe, Buenos Aires, La Pampa, San Lorenzo, and Ramallo)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>8.64</td>
</tr>
<tr>
<td>Please explain</td>
<td>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 2022 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 that we procured in 2022 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 2022 survey, soy sourced from Argentina represents 8.64% of our total soy volume and was sourced from the Cordoba, Santa Fe, Buenos Aires, La Pampa, San Lorenzo, and Ramallo regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Goiás, Mato Grosso, Mato Grosso do Sul, Paraná, Rio Grande do Sul, Santa Catarina, São Paulo, and Tocantins)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>26.85</td>
</tr>
<tr>
<td>Please explain</td>
<td>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 2022 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 that we procured in 2022 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 2022 survey, soy sourced from Brazil represents 26.85% of our total soy volume and was sourced from the Goiás, Mato Grosso, Mato Grosso do Sul, Paraná, Rio Grande do Sul, Santa Catarina, São Paulo, and Tocantins regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Specify state/equivalent jurisdiction (Tamil nadu, karnatak, and North India)</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>0.02</td>
</tr>
<tr>
<td>Please explain</td>
<td>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 2022 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 that we procured in 2022 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 2022 survey, soy sourced from India represents 0.02% of our total soy volume and was sourced from the Tamil nadu, karnatak, and North India regions. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.</td>
</tr>
<tr>
<td>State or equivalent jurisdiction</td>
<td>Any other countries/areas</td>
</tr>
<tr>
<td>% of total production/consumption volume</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Please explain</td>
<td>Pursuant to CDP Guidance, our volumes from these countries have been disclosed together within this row.</td>
</tr>
</tbody>
</table>
Soy

Country/Area of origin
Kenya

State or equivalent jurisdiction
Specify state/equivalent jurisdiction (Nairobi)

% of total production/consumption volume
0.05

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 2022 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 that we procured in 2022 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 2022 survey, soy sourced from Kenya represents 0.05% of our total soy volume and was sourced from the Nairobi region. 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 Canindeyu)

% of total production/consumption volume
0.39

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 2022 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 that we procured in 2022 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 2022 survey, soy sourced from Paraguay represents 0.39% of our total soy volume and was sourced from the Itapua, Alto Parana, and Canindeyu 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
Don't know

% of total production/consumption volume
0.3

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 2022 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 that we procured in 2022 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 2022 survey, soy sourced from Zambia represents 0.30% of our total soy volume. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity
Soy

Country/Area of origin
Zimbabwe

State or equivalent jurisdiction
Don't know

% of total production/consumption volume
0.42

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 2022 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 that we procured in 2022 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 2022 survey, soy sourced from Zimbabwe represents 0.42% of our total soy volume. Detailed location information regarding the proportion sourced from each jurisdiction is not available at this time.

Forest risk commodity
Soy

Country/Area of origin
Unknown origin

State or equivalent jurisdiction
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 2022 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 that we procured in 2022 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.

F1.5f

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

<table>
<thead>
<tr>
<th>Does your organization produce or consume biofuel derived from palm oil?</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Data type</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Volume produced/consumed</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Country/Area of origin</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State or equivalent jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of total production/consumption volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Does the source of your organization’s biofuel material come from smallholders?</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yum! Brands does not produce or consume biofuel derived from palm oil.</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impact driver type</th>
</tr>
</thead>
</table>
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, have resulted in increased costs. We mitigate the rise in costs, as much as possible, through supply chain procurement and 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**
1900000

**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 and 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 a system-wide increase in cost for certified products based on 2022 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, have resulted in increased costs. We mitigate these costs, as much as possible, through supply chain procurement and 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**
2940000

**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 and strategic specifications.

We have provided the estimated increase in cost based on 2022 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**
Shifts in consumer preference

**Primary impact**
Change in revenue mix and sources

**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, which can have an impact on the proportion of revenue that we generate from animal protein products. We acknowledge the growing concern for the environmental impacts of cattle products and are involved in organizations such as the Roundtable for Sustainable Beef to promote the sustainability of this commodity.

**Primary response**
Participation in sector-wide and/or multi-stakeholder agreements

**Total financial impact**
280000

**Description of response**
Yum! is an endorser of the New Declaration on Forests (NYDF) and believes it is an important step toward us meeting the private sector goal of eliminating 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 especially on a Brazil landscape assessment that will inform our future sourcing strategy and reporting. At this time of disclosure, the total financial impact represents our 2022 investment in multi-stakeholder organizations and efforts with an aim to proactively manage market risks and opportunities associated with cattle products and promote sustainability in the cattle value chain.
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 have resulted in increased costs. We mitigate the rise in costs, as much as possible, through supply chain procurement and strategic specifications. In some markets, increased costs have been an impediment to supplying fully certified products.

Primary response
Engagement with suppliers

Total financial impact
700000

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 and strategic specifications. In some markets, increased costs have been an impediment to supplying fully certified products.

We have experienced an increase in cost for certified sustainable materials. This varies according to market and according to the material, however, we have provided an estimated impact figure based on the increase in feed costs that have impacted the price of poultry.
**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.**

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you monitored or estimated your deforestation/conversion footprint?</td>
<td>Yes, we monitor deforestation/conversion footprint in our supply chain</td>
</tr>
<tr>
<td>Coverage</td>
<td>Partial consumption volume</td>
</tr>
<tr>
<td>Reporting deforestation/conversion since a specified cutoff date or during the last five years?</td>
<td>Since a specified cutoff date, please specify year (2021)</td>
</tr>
<tr>
<td>Known or estimated deforestation/ conversion footprint (hectares)</td>
<td></td>
</tr>
<tr>
<td>Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint</td>
<td>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 eliminating 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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you monitored or estimated your deforestation/conversion footprint?</td>
<td>Yes, we monitor deforestation/conversion footprint in our supply chain</td>
</tr>
<tr>
<td>Coverage</td>
<td>Partial consumption volume</td>
</tr>
<tr>
<td>Reporting deforestation/conversion since a specified cutoff date or during the last five years?</td>
<td>Since a specified cutoff date, please specify year (2021)</td>
</tr>
<tr>
<td>Known or estimated deforestation/ conversion footprint (hectares)</td>
<td></td>
</tr>
<tr>
<td>Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint</td>
<td>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 eliminating 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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Cattle products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you monitored or estimated your deforestation/conversion footprint?</td>
<td>Yes, we monitor deforestation/conversion footprint in our supply chain</td>
</tr>
<tr>
<td>Coverage</td>
<td>Partial consumption volume</td>
</tr>
<tr>
<td>Reporting deforestation/conversion since a specified cutoff date or during the last five years?</td>
<td>Since a specified cutoff date, please specify year (2021)</td>
</tr>
<tr>
<td>Known or estimated deforestation/ conversion footprint (hectares)</td>
<td></td>
</tr>
<tr>
<td>Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint</td>
<td>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 eliminating 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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you monitored or estimated your deforestation/conversion footprint?</td>
<td>Yes, we monitor deforestation/conversion footprint in our supply chain</td>
</tr>
<tr>
<td>Coverage</td>
<td>Partial consumption volume</td>
</tr>
<tr>
<td>Reporting deforestation/conversion since a specified cutoff date or during the last five years?</td>
<td>Since a specified cutoff date, please specify year (2021)</td>
</tr>
<tr>
<td>Known or estimated deforestation/ conversion footprint (hectares)</td>
<td></td>
</tr>
<tr>
<td>Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint</td>
<td>In 2021 and 2022 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 open-source 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 eliminating 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.</td>
</tr>
</tbody>
</table>

---

**F2. Procedures**
(F2.1) Does your organization undertake a forests-related risk assessment?
Yes, forests-related risks are assessed

(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
  - Other, please specify (Franchisees)

- **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. The process helps us identify potential deforestation risk relating to meeting our goal of 100% sustainable fiber-based packaging sourcing.

  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 associated with key agricultural products, including forest risk commodities. We continued to work with WWF in 2019-2020 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. Through WWF projects, the organization’s subject matter experts were involved to provide advisory and consulting services on forests topics. In 2022-2023, we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain. Together we are working on the Accountability Framework initiative (Afi) plan.
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
Global Forest Watch Pro
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
Other, please specify (Franchisees)

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. A variety of tools are used to support our analyses of palm oil data and supply chains, including the Global Forest Watch Pro.

The annual survey helps us identify potential deforestation risk remaining relating to continuing to meet our commitment of sourcing 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 support sustainable palm oil initiatives in 2022, and we published 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 agricultural products, including forest risk commodities. We continued to work with WWF in 2019-2020 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. Through WWF projects, the organization’s subject matter experts were involved to provide advisory and consulting services on forests topics. In 2022-2023, we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain.
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.

The annual survey helps us identify potential deforestation risk remaining relating to meeting our commitments under the New York Declaration of Forests (NYDF). 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 agricultural products, including forest risk 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. Through the WWF project, the organization's subject matter experts were involved to provide advisory and consulting services on forests topics. In 2022-2023, we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain. Together we are working on the Accountability Framework initiative (Afi) plan.
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
Other, please specify (Franchisees)

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.

Yum! Brands is an endorser of the New York Declaration on Forests (NYDF). In 2021, KFC United Kingdom & Ireland (UK&I) became a signatory of the UK Soy Manifesto, a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion free by 2025.

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.

The annual survey helps us identify potential deforestation risk remaining relating to meeting our commitments under the NYDF. 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 agricultural products, including forest risk 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. Through the WWF project, the organization’s subject matter experts were involved to provide advisory and consulting services on forests topics. In 2022-2023, we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain. Together we are working on the Accountability Framework initiative (AfI) plan.

In 2021 and 2022 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 open-source datasets and scouring was created where applicable.

F2.2

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

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Value chain mapping</th>
<th>Primary reason for not mapping your value chain</th>
<th>Explain why your organization does not map its value chain and outline any plans to introduce it</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes, we have partially mapped the value chain</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes, we have partially mapped the value chain</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes, we have partially mapped the value chain</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes, we have partially mapped the value chain</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Rubber</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Cocoa</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Coffee</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>
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 which requests data from nearly all fiber-based packaging and servicewares providers in the system. 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 which requests data from nearly all suppliers in the system. 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
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 which requests data from nearly all suppliers in the system. 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

% of total suppliers covered within selected tier(s)
98

Description of mapping process and coverage

Soy is procured by farmers as a feed component for raising animals. This is particularly used by poultry farmers but also, to a lesser extent, to farmers in cattle. Yum! Brands does not raise animals, nor do we buy soy. The percentage of total suppliers within the selected tiers is estimated and only represents Tier 1 which is purchased proteins.

Our business is several steps removed from soybean production. Given the depth of soy consumption in the value chain, it is very challenging to fully map as to what can easily be tier 3 suppliers or deeper. However, we continue to work across our supply chain to achieve greater levels of visibility and accountability. Our focus is in regions of higher deforestation risk, especially Brazil. Our Supply Chain and Quality Assurance teams maintain a system with Tier 1 suppliers and into deeper tiers as required.

We requested the global submission of soy as a feed component from global protein suppliers as part of our annual sustainability survey as well as other mapping occurring in our European markets. We continue to develop our approach in this area with the help of outside experts including FAI Farms and WWF.

In 2021 and 2022 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 open-source 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. In 2022-2023, we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain. Together we are working on the Accountability Framework initiative (AfI) plan.

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)

F2.3

(F2.3) Do you use a classification system to determine risk of deforestation and/or conversion of other ecosystems for your sourcing areas, and if yes, what methodology is used, and what is the classification used for?

<table>
<thead>
<tr>
<th>Use of a classification system to determine deforestation and/or conversion risk of sourcing areas</th>
<th>Methodology used for classifying levels of risk</th>
<th>Use of risk classification</th>
<th>Attachment indicating risk classification for each sourcing area (optional)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, and we do not plan to in the next two years</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Risk identified?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes</td>
</tr>
<tr>
<td>Other - Rubber</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Cocoa</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Coffee</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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 that are 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 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
We have provided a directional estimate of a system-wide increase in cost for certified products based on 2022 data in spend. It is a global number covering all restaurants, in particular, certified fiber-based packaging, increased costs have been an impediment to supplying fully certified products. These numbers can vary substantially based on the underlying assumptions. Our ability to source from a diversified supplier base and alternative packaging products helps to minimize potential impacts.

Impact of any event would be determined by geographical extent and severity of the event. Due to the diverse and broad nature associated with this risk, it is not possible to provide a single figure for the estimated potential financial impact. We have provided a possible estimated range of financial impact for our franchisees and Yum! that is reflective of a hypothetical global market impact on fiber sources. These numbers can vary substantially based on the underlying assumptions. Our ability to source from a diversified supplier base and alternative packaging products helps to minimize potential impacts.

Cost of response
46000000

Explanation of cost of response
A shortage or interruption in the availability of supplies could increase costs and limit the availability of products that are 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 brands and/or our brands’ 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.

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 address this risk has been effective. 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.

As of 2022, we achieved 70% of our supply coming from certified and recycled sources and we believe that this has been an effective response in helping us to mitigate supply chain disruptions attributed to declining ecosystem services.

As of 2022, we achieved 70% of our supply coming from certified and recycled sources and we 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
11000000

Explanation of cost of response
We continuously work with suppliers to mitigate supply chain disruptions and impacts of the fluctuations in certified commodity costs. Sustainably certified fiber-based products can result in increased initial costs. We mitigate these costs, as much as possible, through supply chain procurement and 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 a system-wide increase in cost for certified products based on 2022 data in spend. It is a global number covering all restaurants.
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 brands 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 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?
Yes, an estimated range

Potential financial impact (currency)
<Not Applicable>

Potential financial impact figure - minimum (currency)
0

Potential financial impact figure - maximum (currency)
13000000

Explanation of financial impact
Compliance with new or existing laws and regulations could impact our or our brands’ franchisees’ operations. The compliance costs associated with these laws and regulations could result in higher forest products costs.

We are seeing local jurisdictions passing regulations that limit or prohibit single use plastics. One response strategy to this is to use increased quantities of fiber-based materials.

Due to the diverse and broad nature associated with this risk, it is not possible to provide a single figure for the estimated potential financial impact. We have provided a possible estimated range of financial impact for our franchisees and Yum! that is reflective of a hypothetical market shift and its associated impact on sourcing fiber-based packaging. These numbers can vary substantially based on the underlying assumptions. Our ability to source from a diversified supplier base and alternative packaging products 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. We are working toward this goal in support of the New York Declaration of Forests’ private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.

As of 2022, we achieved 70% of our supply coming from certified and recycled sources and we believe that this has been an effective response in helping us to mitigate regulatory risks related to fiber products.

By making progress against this goal, we are improving our resilience to regulatory changes 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 regulatory compliance 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 regulatory landscapes. 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
11000000

Explanation of cost of response
We continuously work with suppliers to mitigate regulatory risks and impacts of the fluctuations in certified commodity prices and regulatory compliance costs. Sustainably certified fiber-based products can result in increased initial costs, but in turn, help us prepare for possible environmental regulation changes. We mitigate these costs, as much as possible, through supply chain procurement and 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 a system-wide increase in cost for certified products based on 2022 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?**
Direct operation  
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 brands’ 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 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 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**
Low

**Likelihood**
Unlikely

**Are you able to provide a potential financial impact figure?**
Yes, an estimated range

**Potential financial impact (currency)**
<Not Applicable>

**Potential financial impact figure - minimum (currency)**
0

**Potential financial impact figure - maximum (currency)**
5000000

**Explanation of financial impact**
We have provided a possible estimated range of financial impact for our franchisees and Yum! that is reflective of a hypothetical impact based on fiber based packaging in a single market. These numbers can vary substantially based on the underlying assumptions. Our ability to source from a diversified supplier base and alternative packaging products helps to minimize potential impacts.

**Primary response to risk**
Engagement with suppliers

**Description of response**
We have resources including our Chief Sustainability Officer, Chief Corporate Affairs 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 and publicly communicate the Company’s position on being good corporate stewards through our Global Citizenship and Sustainability Report and other public disclosures, such as CDP questionnaires. 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 with 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**
11000000

**Explanation of cost of response**
We continuously work with suppliers to mitigate reputational risks and impacts of the fluctuations in certified commodity costs. Sustainably certified fiber-based products can result in increased initial costs, but in turn, help us avoid reputational impacts related to deforestation risks in the timber supply chain. We mitigate these costs, as much as possible, through supply chain procurement and 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 a system-wide increase in cost for certified products based on 2022 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 of food and other supplies could pose challenges to restaurant operations. The palm oil used by our brands and their franchisees is sourced from a wide variety of domestic and international suppliers. Shortages or interruptions to our brands' restaurants (caused by inclement weather or other catastrophic events) could adversely affect the availability, quality and cost of palm oil we use in the operations of our restaurants.

Climate change influences several physical risk drivers that could negatively impact palm oil production in the short and long term, affecting the availability of certified sustainable material, which is already limited. Associated climate-related impacts on forests commodity production can be resulted from extreme weather events, such as tropical cyclones, changes in precipitation and temperature, and forest fires, ultimately leading to reduced crop yields, and declined or loss of ecosystem services. 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?
Yes, an estimated range

Potential financial impact (currency)
<Not Applicable>

Potential financial impact figure - minimum (currency)
0

Potential financial impact figure - maximum (currency)
70000000

Explanation of financial impact
A shortage or interruption in the availability of supplies could increase costs and limit the availability of products that are 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 brands and/or our brands' 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.

Due to the diverse and broad nature associated with this risk, it is not possible to provide a single figure for the estimated potential financial impact. We have provided a possible estimated range of financial impact for our franchisees and Yum! that is reflective of a hypothetical market shift and its associated impact on sourcing fiber based packaging. These numbers can vary substantially based on the underlying assumptions. Our ability to source from a diversified supplier base and alternative cooking oil products 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. From 2019 through 2021, 100% of our palm oil used for cooking supported the production of sustainable palm oil and deforestation-free supply chains. We believe that this has been an effective response to mitigate supply chain disruptions attributed to declining ecosystem services.

By maintaining this support, 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
2900000

Explanation of cost of response
We continuously work with suppliers to mitigate supply chain disruptions and impacts of the fluctuations in certified commodity costs. 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 and strategic specifications.

We have provided the estimated increase in cost based on 2022 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
Our brands 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 palm oil, 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?**

Yes, an estimated range

**Potential financial impact (currency)**

<Not Applicable>

**Potential financial impact figure - minimum (currency)**

0

**Potential financial impact figure - maximum (currency)**

1400000

**Explanation of financial impact**

Compliance with new or existing laws and regulations could impact our or our brands’ 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 provide a single figure for the estimated potential financial impact. We have provided a possible estimated range of financial impact for our franchisees and Yum! that is reflective of a hypothetical market shift and its associated impact on sourcing palm oil at higher RSPO levels. These numbers can vary substantially based on the underlying assumptions. Our ability to source from a diversified supplier base and alternative cooking oil products 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. From 2019 through 2021, 100% of our palm oil used for cooking supported the production of sustainable palm oil and deforestation-free supply chains. We believe that this has been an effective response to mitigate regulatory risks related to palm oil products.

By maintaining this support, we are improving our resilience to regulatory changes 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 regulatory compliance 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 regulatory landscapes.

**Cost of response**

2900000

**Explanation of cost of response**

We continuously work with suppliers to mitigate regulatory risks and impacts of the fluctuations in certified commodity prices and regulatory compliance costs. Sustainably certified products such as RSPO certified palm oil can result in increased initial costs, but in turn, help us prepare for possible environmental regulation changes. We mitigate these costs, as much as possible, through supply chain procurement and strategic specifications.

We have provided the estimated increase in cost based on 2022 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?**

Direct operation

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 brands’ 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 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 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?**
Yes, an estimated range

**Potential financial impact (currency)**
<Not Applicable>

**Potential financial impact figure - minimum (currency)**
0

**Potential financial impact figure - maximum (currency)**
14000000

**Explanation of financial impact**
Due to the diverse and broad nature associated with this risk, it is not possible to provide a single figure for the estimated potential financial impact. We have provided a possible estimated range of financial impact for our franchisees and Yum! that is reflective of a hypothetical market shift and its associated impact on sourcing palm oil at higher RSPO levels. These numbers can vary substantially based on the underlying assumptions. Our ability to source from a diversified supplier base and alternative cooking oil products helps to minimize potential impacts.

**Primary response to risk**
Engagement with suppliers

**Description of response**
We have resources including our Chief Sustainability Officer, Chief Corporate Affairs 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 and publicly communicate the Company’s position on being good corporate stewards through our Global Citizenship and Sustainability Report and other public disclosures, such as CDP questionnaires. 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 with 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 palm oil 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 palm oil supply.

**Cost of response**
2900000

**Explanation of cost of response**
We continuously work with suppliers to mitigate reputational risks and impacts of the fluctuations in certified commodity costs. Sustainably certified products such as RSPO certified palm oil can result in increased initial costs, but in turn, help us avoid reputational impacts related to deforestation risks in the palm oil supply chain. We mitigate these costs, as much as possible, through supply chain procurement and strategic specifications.

We have provided the estimated increase in cost based on 2022 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 on 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 the 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?**
Yes, a single figure estimate
Potential financial impact (currency)  
120000000

Potential financial impact figure - minimum (currency)  
<Not Applicable>

Potential financial impact figure - maximum (currency)  
<Not Applicable>

Explanation of financial impact  
We have provided a possible estimated impact for our Taco Bell corporate locations that is reflective of an estimated 12% of sales being vegetarian based in 2022. The number can vary substantially based on the underlying assumptions. Not all vegetarian options are the result of beef substitutions.

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. In 2022, approximately 93% of our beef came from origins of lower deforestation risk as defined by CDP and over 98% was sourced from outside of Brazil. Our brands support sourcing risk mitigation by exploring the continued expansion of plant-based protein on our menus. We continue to see opportunities for Taco Bell’s plant-based products. In 2022, we tested a proprietary plant-based protein in the Crispy Melt Taco, plus Beyond Carne Asada Steak, and even made the Fiesta Veggie Burrito a permanent addition to the value menu. As customers continue to choose plant-based options, fewer animals will need to be raised for food, thereby putting less pressure on ecosystems.

In 2021 and 2022 we partnered with FAI Farms for a soya sourcing analysis in support of livestock production in Brazil for KFC Europe. We worked to identify soya supplier locations, deforestation commitments and supply chain practices. Geographic data and supply chain visualization to allow the overlay of relevant open-source datasets was created where applicable. This analysis of Brazilian soy suppliers represents the most robust soy mapping within our organization to date. In 2022-2023, we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain. Together we are working on the Accountability Framework initiative (Afi) plan.

Cost of response  
120000000

Explanation of cost of response  
We continuously work with brands to manage consumer preferences over plant-based and/or sustainably-sourced products. 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 reducing 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.

We have provided the estimated sales of vegetarian offerings at Taco Bell U.S. corporate locations based on 2022 reported data.

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 of food and other supplies could pose challenges to restaurant operations. The soybeans used in our supply chain are sourced from a wide variety of domestic and international suppliers. 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 disruptions could be caused by weather events and a variety of other issues.

Climate change influences several physical risk drivers that negatively impact soybean production in the short and long term, affecting the availability of certified sustainable material, which is already limited. Associated climate-related impacts on forests commodity production can be resulted from extreme weather events, such as tropical cyclones, changes in precipitation and temperature, and forest fires, ultimately leading to reduced crop yields, and declined or loss of ecosystem services. 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 impact
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 brands and/or our brands’ 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. 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 2021 and 2022 we partnered with FAI Farms for a soya sourcing analysis in support of livestock production in Brazil for KFC Europe. We worked to identify soya supplier locations, public deforestation commitments and supply chain practices. A supply chain nodal map and geographic data visualization to allow the overlay of relevant open-source datasets and scouring was created where applicable. This analysis of Brazilian soya suppliers for KFC represents the most robust soy mapping within our organization to date. In 2022 and 2023 we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain. Together we are working on the Accountability Framework initiative (AfI) plan.

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 soya to the UK are deforestation and conversion free no later than 2025.

Cost of response
10000000

Explanation of cost of response
Soya, which is a primary ingredient in poultry feed, has a long supply chain involving soybean farmers, processors, feed mills, poultry suppliers and finally Yum! restaurants. While our business is at least five steps removed from the soybean field, we continue to work across our supply chain to achieve greater levels of visibility and accountability. Components of cost of forest-risk management are included in broader risk management efforts. Specific costs for this work are driven by investing in the education and training of key stakeholders, especially our employees responsible for procurement, to adopt and implement our strategy to mitigate risk. We continuously work with suppliers to mitigate supply chain disruptions and encourage the adoption of more sustainable soya sourcing.

The cost of response is based on the approximated projected possible cost if we were to source a combination of credits and mass balance sources.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of risk</td>
<td>Reputational and markets</td>
</tr>
<tr>
<td>Geographical scale</td>
<td>Global</td>
</tr>
<tr>
<td>Where in your value chain does the risk driver occur?</td>
<td>Supply chain</td>
</tr>
<tr>
<td>Primary risk driver</td>
<td>Increased cost of certified sustainable material</td>
</tr>
<tr>
<td>Primary potential impact</td>
<td>Increased production costs</td>
</tr>
</tbody>
</table>

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 brands’ 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 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 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)
Explanation of financial impact
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 by 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 Corporate Affairs 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 and publicly communicate the Company position on being good corporate stewards through our Global 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 with 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 sustainable sourcing goal 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 soy supply for our protein suppliers.

Cost of response
10000000

Explanation of cost of response
Soy, which is a primary ingredient in poultry feed, has a long supply chain involving soybean farmers, processors, feed mills, poultry suppliers and finally Yum! restaurants. While our business is at least five steps removed from the soybean field, we continue to work across our supply chain to achieve greater levels of visibility and accountability. Components of cost of forest-risk management are included in broader risk management efforts. Specific costs for this work are driven by investing in the education and training of key stakeholders, especially our employees responsible for procurement, to adopt and implement our strategy to mitigate risk. We continuously work with suppliers to mitigate supply chain disruptions and encourage the adoption of more sustainable soy sourcing.

The cost of response is based on the approximated projected possible cost if we were to source a combination of credits and mass balance sources.

---

### 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?

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Have you identified opportunities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes</td>
</tr>
<tr>
<td>Other - Rubber</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Cocoa</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Coffee</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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### 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
Increased market demand for deforestation-free products 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 private sector goal of eliminating deforestation and providing affordable product options to our customers.

#### 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, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
19000000

Potential financial impact figure – maximum (currency)
33000000

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 and 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 fully certified products based on 2022 data and extrapolated to cover the full target. It is a global, system number covering an increase in spend for all restaurants. These numbers can vary substantially based on the underlying assumptions.

Cost to realize opportunity
33000000

Strategy to realize opportunity
In order to realize this opportunity, our strategy is to continue to work toward our published goals to prevent deforestation, including our commitment to source 100% sustainable fiber-based packaging on an annual, ongoing basis. We are working toward this goal in support of the New York Declaration of Forests’ private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.

Our annual Yum! sustainability survey provides data so that the brands have 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.

One of the expected outcomes of this strategy is to meet the objectives of our Recipe for Good Growth sustainability strategy which are essential to our business as we work to reduce our environmental footprints.

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
Increased market demand for deforestation-free products 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 private sector goal of eliminating deforestation and providing affordable product options to our customers.

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, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
2900000

Potential financial impact figure – maximum (currency)
6700000

Explanation of financial impact figure
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 and strategic specifications.

We have provided a directional estimate of system-wide increase in cost for fully RSPO mass balance certified products based on 2022 data and extrapolated to cover the full target. It is a global, system number covering an increase in spend for all restaurants. These numbers can vary substantially based on the underlying assumptions.

Cost to realize opportunity
6700000

Strategy to realize opportunity
In order to realize this opportunity, our strategy is to continue to work toward our published goals to prevent deforestation, including our ongoing commitment to source RSPO palm oil for cooking. We maintain this goal in support of the New York Declaration of Forests’ private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.
Our annual Yum! sustainability survey provides data so that the brands have 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.

One of the expected outcomes of this strategy is to meet the objectives of our Recipe for Good Growth sustainability strategy which are essential to our business as we work to reduce our environmental footprints.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of opportunity</strong></td>
<td>Resilience</td>
</tr>
<tr>
<td><strong>Where in your value chain does the opportunity occur?</strong></td>
<td>Direct operation, Supply chain</td>
</tr>
<tr>
<td><strong>Primary forests-related opportunity</strong></td>
<td>Resilience to future regulatory changes</td>
</tr>
</tbody>
</table>

### 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
- Resilience to future regulatory changes
Company-specific description
Our brands and their franchisees are subject to numerous laws and regulations around the world. These laws change regularly and are increasingly complex, including environmental, health, sanitation, food, and workplace safety regulations. 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.

Estimated timeframe for realization
4-6 years

Magnitude of potential impact
Low

Likelihood
About as likely as not

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
10000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Sustainably certified soy products will result in increased costs for animal feed for farmers which will in turn create upward pressure on meat prices. We have calculated the estimated cost of moving poultry feed to certified soy. Please note that the reported financial figure has been estimated to the best of our ability, intended to be directional in nature. Due to variables stemming from certification levels and global market conditions, the estimated figure is subject to variability.

Cost to realize opportunity
10000000

Strategy to realize opportunity
As part of our efforts, Yum! Brands is an endorser of the New York Declaration on Forests (NYDF) and strives to meet the private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.

Soy, which is a significant ingredient in poultry feed, has a supply chain involving soybean farmers, processors, feed mills, poultry suppliers and finally Yum! restaurants. While our business is at least five steps removed from the soybean field, we continue to work across our supply chain to achieve greater levels of visibility and accountability.

In 2021 and 2022 we 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 open-source 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. In 2022-2023, we have a partnership with WWF that is focused on transitioning to a deforestation/conversion free future for our supply chain. Together we are working on the Accountability Framework initiative (AFI) plan.

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 have estimated the cost of moving poultry feed to certified soy, which is intended to be directional in nature. Due to variables stemming from certifications and market conditions, the estimated figure is subject to variability.

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.

<table>
<thead>
<tr>
<th>Position or Individual or Committee</th>
<th>Responsibilities for forest-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>As the top operational decision-maker and member of the Board of Directors (Board), the CEO has the ultimate responsibility for forest-related issues. This reflects the importance that the company gives to the topic as part of our Recipe for Good Growth sustainability strategy. An example of a 2022 forest-related decision that the CEO was involved in was the approval of Yum’s harmonized packaging policy, which includes forest-related packaging. Oversight for Environment, Social, and Governance (ESG) issues ultimately resides with the Board. The Board receives regular ESG updates from management through the Audit, Management Planning and Development and Nominating and Governance Committees. In addition, the Board receives weekly updates on the ESG issues, news, and trends that are occurring within our sector. Within the management structure, the CEO entrusts the Chief Corporate Affairs Officer and Chief Sustainability Officer to drive company strategy relating to forests topics.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Frequency that forests-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which forests-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled. Some meetings</td>
<td>Monitoring implementation and performance of corporate strategy towards corporate targets.</td>
<td>Yum! believes that good corporate governance is critical to business success and embraces practices that align with management and shareholder interests. ESG oversight ultimately resides with the Yum!’s Board, and ESG issues are included on the agenda of most Board-level meetings. The company has an integrated, Board and executive level governance structure to oversee its global sustainability initiatives. The Board receives ESG updates from management through the Audit, Management Planning and Development and Nominating and Governance Committees. The committees have initial board-level oversight responsibilities for ESG topics which fall within the purview of each of their designated responsible areas. The Committees’ charters have been amended to clarify their initial oversight responsibility over the Company’s ESG strategy and initiatives. At the operational level, the Chief Corporate Affairs Officer is responsible for overseeing the global reputation of Yum! and shaping the citizenship and sustainability strategy, Recipe for Good Growth, as approved by the Board, with the Chief Sustainability Officer.</td>
</tr>
<tr>
<td>Monitoring progress towards corporate targets.</td>
<td>Overseeing acquisitions, mergers, and divestitures.</td>
<td>The governance and management mechanisms that have been implemented contribute to Board oversight of 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.</td>
</tr>
<tr>
<td>Overseeing major capital expenditures.</td>
<td>Providing employee incentives.</td>
<td></td>
</tr>
<tr>
<td>Providing employee incentives.</td>
<td>Reviewing and guiding annual budgets.</td>
<td></td>
</tr>
<tr>
<td>Reviewing and guiding business plans.</td>
<td>Reviewing and guiding corporate responsibility strategy.</td>
<td></td>
</tr>
<tr>
<td>Reviewing and guiding corporate responsibility strategy.</td>
<td>Reviewing and guiding major plans of action.</td>
<td></td>
</tr>
<tr>
<td>Reviewing and guiding major plans of action.</td>
<td>Reviewing and guiding risk management policies.</td>
<td></td>
</tr>
<tr>
<td>Reviewing and guiding risk management policies.</td>
<td>Reviewing and guiding strategy.</td>
<td></td>
</tr>
<tr>
<td>Reviewing and guiding strategy.</td>
<td>Reviewing innovation / R&amp;D priorities.</td>
<td></td>
</tr>
<tr>
<td>Reviewing innovation / R&amp;D priorities.</td>
<td>Setting performance objectives.</td>
<td></td>
</tr>
</tbody>
</table>

(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).

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Forests-related responsibilities of this position</th>
<th>Frequency of reporting to the board on forests-related issues</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Sustainability Officer (CSO)</td>
<td>Managing annual budgets relating to the implementation of forest-related policies and commitments</td>
<td>Half yearly</td>
<td>The Chief Sustainability Officer (CSO) chairs our ESG Council and is responsible for coordinating the execution of our sustainability strategy, including forests-related issues. This senior leader reports to the Chief Corporate Affairs Officer, with whom ESG strategy is set, and ultimately to the Chief Executive Officer. The CSO works with sustainability leads at KFC, Pizza Hut, Taco Bell, Habit Burger Group, and Yum! corporate to execute the strategy and help connect with our brands' own markets and franchisees and drive rapid progress. The duties of the CSO also 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, reporting of possible corporate risk to the Audit Committee of the Board 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 such as the possible duration and whether the impact is likely to be a one-time occurrence or recurring in nature. The CSO typically presents metrics to the Board relating to the progress that the corporation has made toward its sustainable sourcing goals, such as progress on our sustainable palm oil and fiber goals.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Row</th>
<th>Yes</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Yes</td>
<td>Incentives for the management of forest-related issues are incorporated into the remuneration structure at different levels of the organization, including executives and associates, to reward the successful execution of our Recipe for Good Growth sustainability strategy and forest-related initiatives. In 2022, the six performance categories considered for the performance of individuals under the short-term executive compensation plan included: (i) Fostering Unrivaled Culture and Talent; (ii) Driving Bold Restaurant Development and Returns; (iii) Building Relevant, Easy and Distinctive Brands; (iv) Developing Unmatched Operating Capability; (v) Implementation of our Recipe for Good Growth; and (vi) Delivering on Shareholder Promises. Beginning in 2023, our executives' performance will be evaluated against a more ESG-centric goal, which is designed to drive enhanced performance against quantifiable ESG metrics and evaluation of the implementation of our sustainability strategy. In addition to individuals covered by executive compensation, associates who are responsible for the management of sustainability are provided with bonus incentives for the implementation of forest-related programs.</td>
</tr>
</tbody>
</table>

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)?

<table>
<thead>
<tr>
<th>Role(s) entitled to incentive?</th>
<th>Performance indicator</th>
<th>Contribution of incentives to the achievement of your organization's forests-related commitments</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary reward</td>
<td>Chief Sustainability Officer (CSO)</td>
<td>Ending deforestation and/or conversion of other natural ecosystems, Increasing commodity volumes with credible third-party certification Increasing traceability of commodity volumes, Increased engagement with suppliers on forests-related issues</td>
<td>Performance indicators considered in the monetary incentives for our CSO are linked to our sustainable sourcing, traceability, and supplier engagement targets for key forests commodities.</td>
</tr>
<tr>
<td>Non-monetary reward</td>
<td>Chief Sustainability Officer (CSO)</td>
<td>Increasing commodity volumes with credible third-party certification Increasing traceability of commodity volumes, Increased engagement with suppliers on forests-related issues</td>
<td>Performance indicators considered in the non-monetary incentives for our CSO are linked to our sustainable sourcing, traceability, and supplier engagement targets for key forests commodities.</td>
</tr>
</tbody>
</table>

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) Select the options to describe the scope and content of your policy.

Row 1

**Scope**
Company-wide

**Commodity coverage**
- Cattle products
- Palm oil
- Soy
- Timber products

**Content**
- Commitment to eliminate conversion of natural ecosystems
- Commitment to eliminate deforestation
- Commitment to resolve both social and environmental issues in own operations and supply chain
- Commitment to protect rights and livelihoods of local communities
- Commitments beyond regulatory compliance
- Commitment to transparency
- Commitment to stakeholder awareness and engagement
- Commitment to align with the SDGs
- Recognition of the overall importance of forests and other natural ecosystems
- Description of business dependency on forests
- Description 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
- Other, please specify (Reference to international standards and widely recognized forests-related initiatives)

**Document attachment**
- Yum! Brands Global Forest Stewardship Policy.pdf
- Yum! Brands Sustainable Packaging Policy.pdf
- Yum! Brands Palm Oil Policy.pdf
- Yum! Brands Human Rights and Key Supply Chain Commitments.pdf
- Yum! Brands Paper-based Packaging Sourcing Policy.pdf

Please explain
Yum! Brands is committed to our policies to prevent deforestation and forest degradation and has 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 address High Conservation Value (HCV), High Carbon Stock (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 Forest Stewardship Council (FSC) certification. We also recognize other national certifications endorsed by the Programme for the Endorsement of Forestry Certification (PEFC) and the Sustainable Forestry Initiative (SFI), verifying fiber that avoids the unwanted sources listed in our Sustainable Sourcing Principles. Our policy is publicly-available on the Citizenship & Sustainability section of our company webpage. We typically review the policy on a biannual basis.

We are working toward this goal in support of the New York Declaration of Forests' private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation 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 decision-making process. All suppliers are required to follow our policies as outlined in our Supplier Code of Conduct. Certain timber and palm oil suppliers have been removed from our system as a result of not addressing our policies.

**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?

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Public commitments made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**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) 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
- Collaborate in landscapes/jurisdictions to progress shared sustainable land use goals
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Promotion of gender equality and women’s empowerment
- 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

**Forest risk countries/areas that the cutoff date applies to**
Applied globally

**Reason for selecting cutoff date**
Specific to commitment

**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 2022, we achieved 70% of our fiber-based packaging supply from sustainable and recycled sources.

**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
- Collaborate in landscapes/jurisdictions to progress shared sustainable land use goals
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Promotion of gender equality and women’s empowerment
- 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

**Forest risk countries/areas that the cutoff date applies to**
Applied globally

**Reason for selecting cutoff date**
Specific to commitment

**Commitment target date**
In addition to our commodity-specific policies, in 2019 we endorsed the New York Declaration of Forests. We are working toward this goal in support of the New York Declaration of Forests' private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.

**Forest risk commodity**

**Palm oil**

**Criteria**

- Zero gross deforestation/no deforestation
- No new development on peat regardless of depth
- Best management practices for existing cultivation on peat
- Restoration and compensation to address past deforestation and conversion
- Avoidance of negative impacts on threatened and protected species and habitats
- No land clearance by burning or clearcutting
- 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
- Remediate any adverse impacts on indigenous people and local communities
- Adoption of the UN International Labour Organization principles
- 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
- Other, please specify (United Nations Universal Declaration of Human Rights)

**Operational coverage**

Supply chain

**% of total production/consumption covered by commitment**

100%

**Cutoff date**

2019

**Forest risk countries/areas that the cutoff date applies to**

Applied globally

**Reason for selecting cutoff date**

Sector-wide agreement/recommendation

**Commitment target date**

2019

We achieved this goal in 2019 and continued to maintain this commitment as part of our sustainability strategy. 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).
In addition to our commodity-specific policies and membership in RSPO, in 2019 we endorsed the New York Declaration of Forests. We are working toward this goal in support of the New York Declaration of Forests' private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.

**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

**Forest risk countries/areas that the cutoff date applies to**
Applied globally

**Reason for selecting cutoff date**
Sector-wide agreement/recommendation

**Commitment target date**
2026-2030

---

In addition to our commodity-specific policies and membership in the U.S. Roundtable for Sustainable Beef, in 2019 we endorsed the New York Declaration of Forests. We are working toward this goal in support of the New York Declaration of Forests' private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.

**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

**Forest risk countries/areas that the cutoff date applies to**
Applied globally

**Reason for selecting cutoff date**
Sector-wide agreement/recommendation

**Commitment target date**
2026-2030

---

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.
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?

<table>
<thead>
<tr>
<th>Are forests-related issues integrated?</th>
<th>Long-term time horizon (years)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>&gt;30</td>
<td>Our materiality assessment confirmed that sustainable sourcing is an important business topic. The assessment was used in the renewal of our Recipe for Good Growth sustainability strategy, which is critical to the success of our long-term business objectives, unless our employees, franchisees and suppliers on our priorities and keeps us focused on socially responsible growth. The strategy guides us in managing risks and serving more goodness to our customers, shareholders, communities and the planet. As our CEO said, “Our success is a testament to our Recipe for Growth &amp; Good, showing that a focus on environmental, social and governance issues is not incidental to growth, but rather, an enabler of it.” This is reflected in our fundamental long-term sustainability objectives. First, it is to emit less carbon through the execution of energy conservation tactics, increased renewable sourcing and continued focus on reducing higher emitting components of our supply chain (beef, dairy, and poultry) as committed in our science-based targets. Another priority is to have better packaging, and to this end, we work to reduce deforestation risk through objectives including sourcing 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources. These goals apply to all brands, regions, countries and suppliers. 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 it is an important step forward and we look forward to helping to meet the sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030. Yum! Brands currently defines our long-term time horizon as any time period greater than five years. We have therefore selected the maximum threshold for a long-term time horizon as greater than 30 years to best fit our definition.</td>
</tr>
</tbody>
</table>

| Yes                                    | >30                         | Our materiality assessment confirmed that sustainable sourcing is an important business topic. The assessment was used in the renewal of our Recipe for Good Growth sustainability strategy, which is critical to the success of our long-term business objectives, unless our employees, franchisees and suppliers on our priorities and keeps us focused on socially responsible growth. The strategy guides us in managing risks and serving more goodness to our customers, shareholders, communities and the planet. As our CEO said, “Our success is a testament to our Recipe for Growth & Good, showing that a focus on environmental, social and governance issues is not incidental to growth, but rather, an enabler of it.” This is reflected in our fundamental long-term sustainability objectives. First, it is to emit less carbon through the execution of energy conservation tactics, increased renewable sourcing and continued focus on reducing higher emitting components of our supply chain (beef, dairy, and poultry) as committed in our science-based targets. Another priority is to have better packaging, and to this end, we work to reduce deforestation risk through objectives including sourcing 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources. These goals apply to all brands, regions, countries and suppliers. 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 it is an important step forward and we look forward to helping to meet the sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030. Yum! Brands currently defines our long-term time horizon as any time period greater than five years. We have therefore selected the maximum threshold for a long-term time horizon as greater than 30 years to best fit our definition. |

| Yes                                    | >30                         | Our materiality assessment confirmed that sustainable sourcing is an important business topic. The assessment was used in the renewal of our Recipe for Good Growth sustainability strategy, which is critical to the success of our long-term business objectives, unless our employees, franchisees and suppliers on our priorities and keeps us focused on socially responsible growth. The strategy guides us in managing risks and serving more goodness to our customers, shareholders, communities and the planet. As our CEO said, “Our success is a testament to our Recipe for Growth & Good, showing that a focus on environmental, social and governance issues is not incidental to growth, but rather, an enabler of it.” This is reflected in our fundamental long-term sustainability objectives. First, it is to emit less carbon through the execution of energy conservation tactics, increased adoption of renewable energy, and continued focus on reducing higher emitting components of our supply chain (beef, dairy, and poultry) as committed in our science-based target. Another priority is to have better packaging, and to this end, we work to reduce deforestation risk through objectives including sourcing 100% of palm oil used for cooking and paper-based packaging from responsible and sustainable sources. In terms of financial planning elements for achieving long-term objectives, we continue to invest in robust data collection processes and supply chain projects to track and drive progress and enable transparent reporting. In 2022, we started an investment with Dairy Farmers of America (DFA) to help farmers measure and take action on greenhouse gas reducing approaches. Building on our endorsement of NYDF, in 2021 and 2022, we dedicated resources in the partnership with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain. Additionally, KFC UK&I has committed to ensuring all physical shipments of soy to the UK are deforestation and conversion free by 2020 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 therefore selected the maximum threshold for a long-term time horizon as greater than 30 years to best fit our definition. |

F6. Implementation

F6.1

(F6.1) Did you have any forests-related timebound and quantifiable targets that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your forests-related timebound and quantifiable target(s) and progress made.

Target reference number
Target 1

Forest risk commodity
Timber products

Year target was set
2021

Target coverage
Company-wide

Target category
Third-party certification

Metric
% of volume third-party certified

Traceability point
<Not Applicable>

Third-party certification scheme
FSC (any type)
PEFC (any type)
SFI Chain of Custody
SFI Fiber Sourcing certification

Base year
2021

Base year figure
0

Target year
2022

Target year figure
100

Reporting year figure
70

% of target achieved relative to base year [auto-calculated]
70

Target status in reporting year
Underway

Is this target linked to a commitment?
Zero net/gross deforestation

Please explain
Our public goal is to purchase 100% of paper-based packaging with fiber from responsibly managed forests and recycled sources. We started this journey in 2014. 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.

Please note that this target was first established in 2014 and we continue to maintain this goal as part of our sustainability strategy. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021) and the target year as the reporting year (2022). For the purposes of this disclosure, the year that the target was set is reported the same as the base year to reflect the rolling basis of target tracking.

Target reference number
Target 2

Forest risk commodity
Palm oil

Year target was set
2021

Target coverage
Company-wide

Target category
Third-party certification

Metric
% of volume third-party certified

Traceability point
<Not Applicable>

Third-party certification scheme
RSPO (any type)

Base year
2021
Our public commitment is to continue our goal, first achieved in 2019, to source 100% of the palm oil product used for cooking from responsible and sustainable sources. Our Sustainable Palm Oil Policy gives preference to third-party certification by the Roundtable on Sustainable Palm Oil (RSPO).

From 2019 through 2021, we met our goal of sourcing 100% of palm oil used for cooking from sustainable and responsible sources. In 2022, volatile markets and disruptions, especially from global conflicts, created significant challenges and slightly reduced our use of RSPO-certified palm oil. Still, our supply chain and sustainability teams remain dedicated to partnering with suppliers on maintaining this commitment.

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. 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 was first established in 2015 and we continue to maintain this goal as part of our sustainability strategy. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021) and the target year as the reporting year (2022). For the purposes of this disclosure, the year that the target was set is reported the same as the base year to reflect the rolling basis of target tracking.

Please explain

Our public commitment is to continue our goal, first achieved in 2019, to source 100% of the palm oil product used for cooking from responsible and sustainable sources. Our Sustainable Palm Oil Policy gives preference to third-party certification by the Roundtable on Sustainable Palm Oil (RSPO).

From 2019 through 2021, we met our goal of sourcing 100% of palm oil used for cooking from sustainable and responsible sources. In 2022, volatile markets and disruptions, especially from global conflicts, created significant challenges and slightly reduced our use of RSPO-certified palm oil. Still, our supply chain and sustainability teams remain dedicated to partnering with suppliers on maintaining this commitment.

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. 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 was first established in 2015 and we continue to maintain this goal as part of our sustainability strategy. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021) and the target year as the reporting year (2022). For the purposes of this disclosure, the year that the target was set is reported the same as the base year to reflect the rolling basis of target tracking.

Please explain
Cattle based greenhouse gas emissions are a key part of addressing climate change impacts at Yum!. Preventing deforestation is an important part of reducing emissions. As part of our strategy, we have set an initial goal to have 100% of U.S. Canada Western European and Austrian beef and dairy suppliers complete climate change education or have SBTi-approved targets in place. Based on the beef suppliers reporting within these markets for 2022, 49% indicated that they had either set approved SBTi GHG emissions reduction targets or were participating in training. Training is being done through a third-party program, Supplier Leadership on Climate Transition, to drive awareness and encourage the setting of targets. In 2022, we expanded our participation to include suppliers in Europe and Australia.

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Target 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest risk commodity</td>
<td>Soy</td>
</tr>
<tr>
<td>Year target was set</td>
<td>2022</td>
</tr>
<tr>
<td>Target coverage</td>
<td>Country/area/region</td>
</tr>
<tr>
<td>Target category</td>
<td>Traceability</td>
</tr>
<tr>
<td>Metric</td>
<td>% of volume traceable to traceability point</td>
</tr>
<tr>
<td>Third-party certification scheme</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Base year</td>
<td>2021</td>
</tr>
<tr>
<td>Base year figure</td>
<td>47</td>
</tr>
<tr>
<td>Target year</td>
<td>2025</td>
</tr>
<tr>
<td>Target year figure</td>
<td>100</td>
</tr>
<tr>
<td>Reporting year figure</td>
<td>48.3</td>
</tr>
</tbody>
</table>

% of target achieved relative to base year [auto-calculated]
2.45383018867924

<table>
<thead>
<tr>
<th>Target status in reporting year</th>
<th>Underway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is this target linked to a commitment?</td>
<td>Zero net/gross deforestation</td>
</tr>
</tbody>
</table>

Please explain
The goal for KFC UK&I is to meet the commitment of the UK Soy Manifesto to ensure all soy in the UK are deforestation and conversion free. This manifesto is a collective industry commitment of 34 signatories (representing nearly 60% of the UK's total consumption).

In 2021, our base year, 47% of the Soy used by KFC UK&I came from recognized Soy Certification Schemes with 53% not attributable to a source. This is due to the challenging nature of mapping soy back to source for animal Feed. Of the amount of soy from known origins in the base year, it was sourced from the following countries: Paraguay 15%, Brazil 30%, USA 1%, and Argentina 10%.

This goal will help inform the broader Yum! system and 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 respects and upholds the rights of workers, indigenous peoples and communities.

KFC UK&I is working with suppliers to achieve its commitment in line with the UK Soy Manifesto, sourcing 100% of soy in its supply chain from traceable, verified, and deforestation and conversion-free sources by 2025. The strategy is based on three pillars: transparency, certification and engagement, and alternative solutions and reduction. In particular, KFC UK&I has pledged to adopt the following approaches: a) engaging direct suppliers to set a deforestation and conversion-free commitment with a cut-off date of January 2020; b) working with suppliers to agree upon a transition plan to achieve KFC UK’s 2025 commitment; and c) reporting its progress toward the 2025 goal on an annual basis.
(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

<table>
<thead>
<tr>
<th>Do you have system(s) in place?</th>
<th>Supply chain coverage</th>
<th>Description of traceability system</th>
<th>Exclusions</th>
<th>Description of exclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes</td>
<td>Volume from direct and indirect suppliers</td>
<td>As we are a large, decentralized company with numerous packaging suppliers globally, we have multiple systems that enable the 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 secondary, 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 28% of our total timber consumption was traceable in 2022 and that the majority of responding suppliers are able to provide traceability at the tree plantation-level. Please note that an estimated 62% of certified virgin timber (excluding recycled sources) is traceable.</td>
<td>Other, please specify (Where information not available)</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes</td>
<td>Volume from direct suppliers only</td>
<td>As we are a large, decentralized company with numerous palm oil suppliers globally, we have multiple systems that enable the 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. We issue 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 2022. We were pleased to have an estimated representation of 98% of our global store count of over 55,000 restaurants in the survey results. The analysis showed that based on our certified volumes, an estimated 85% of our total palm oil consumption could be traceable in 2022.</td>
<td>Other, please specify (Where information not available)</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes</td>
<td>Volume from direct and indirect suppliers</td>
<td>As we are a large, decentralized company with numerous beef suppliers globally, we have multiple systems that enable the 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 system 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 93% 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 6% 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.</td>
<td>Other, please specify (Where information not available)</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes</td>
<td>Volume from direct and indirect suppliers</td>
<td>As we are a large, decentralized company with numerous soy suppliers globally, we have multiple systems that enable the 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 system audits to verify suppliers’ traceability information. We issued a global survey in feed survey for our entire business, through our brands, requesting that all suppliers report on soy data. The analysis showed that based on our certified volumes, an estimated 14% of our soy consumption could be traceable at the mill-level in 2022. The collection of soy data is extremely challenging. We do not buy soy directly and its use is generally very deep in our value chain with its primary use being for animal feed. Many of our protein suppliers are not able to provide this information. We’re continuing to work with WWF to research and understand the specific origins of our supply chain in this area.</td>
<td>Other, please specify (Where information not available)</td>
</tr>
<tr>
<td>Other - Rubber</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Cocoa</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Coffee</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Point to which commodity is traceable</th>
<th>Countries/areas to which this traceability point applies</th>
<th>% of total production/consumption volume traceable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Mill</td>
<td>Please select</td>
<td>6</td>
</tr>
<tr>
<td>Timber products</td>
<td>Tree plantation</td>
<td>Please select</td>
<td>20</td>
</tr>
<tr>
<td>Timber products</td>
<td>Forest management unit</td>
<td>Please select</td>
<td>2</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Mill</td>
<td>Please select</td>
<td>85</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Fattening farm</td>
<td>Please select</td>
<td>88</td>
</tr>
<tr>
<td>Soy</td>
<td>Mill</td>
<td>Please select</td>
<td>14</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Third-party certification scheme adopted?</th>
<th>% of total production and/or consumption volume certified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes</td>
<td>45</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes</td>
<td>96</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes</td>
<td>1.8</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes</td>
<td>48</td>
</tr>
<tr>
<td>Other - Rubber</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Cocoa</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Coffee</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

(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
8.1

Form of commodity
Paper
Primary packaging

Volume of production/consumption certified
34246

Metric for volume
Metric tons

Is this certified by more than one scheme?
No

Is embedded soy certified through this scheme?
Not applicable

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 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.

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
0.3

Form of commodity
Paper
Primary packaging

Volume of production/consumption certified
1429

Metric for volume
Metric tons

Is this certified by more than one scheme?
No

Is embedded soy certified through this scheme?
Not applicable

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.

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<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third-party certification scheme</td>
<td>FSC Forest Management certification</td>
</tr>
<tr>
<td>Chain-of-custody model used</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>% of total production/consumption volume certified</td>
<td>1.8</td>
</tr>
<tr>
<td>Form of commodity</td>
<td>Paper</td>
</tr>
<tr>
<td>Primary packaging</td>
<td></td>
</tr>
<tr>
<td>Volume of production/consumption certified</td>
<td>7549</td>
</tr>
<tr>
<td>Metric for volume</td>
<td>Metric tons</td>
</tr>
<tr>
<td>Is this certified by more than one scheme?</td>
<td>No</td>
</tr>
<tr>
<td>Is embedded soy certified through this scheme?</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Please explain</td>
<td>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 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.</td>
</tr>
<tr>
<td>Forest risk commodity</td>
<td>Timber products</td>
</tr>
<tr>
<td>-----------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Third-party certification scheme</td>
<td>FSC Recycled</td>
</tr>
<tr>
<td>Chain-of-custody model used</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of total production/consumption volume certified</td>
<td>8.4</td>
</tr>
<tr>
<td>Form of commodity</td>
<td>Paper</td>
</tr>
<tr>
<td>Volume of production/consumption certified</td>
<td>35675 Metric tons</td>
</tr>
<tr>
<td>Metric for volume</td>
<td>Metric tons</td>
</tr>
<tr>
<td>Is this certified by more than one scheme?</td>
<td>No</td>
</tr>
<tr>
<td>Is embedded soy certified through this scheme?</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Please explain</td>
<td>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 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third-party certification scheme</td>
<td>PEFC Chain of Custody</td>
</tr>
<tr>
<td>Chain-of-custody model used</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>% of total production/consumption volume certified</td>
<td>5.9</td>
</tr>
<tr>
<td>Form of commodity</td>
<td>Paper</td>
</tr>
<tr>
<td>Volume of production/consumption certified</td>
<td>24901 Metric tons</td>
</tr>
<tr>
<td>Metric for volume</td>
<td>Metric tons</td>
</tr>
<tr>
<td>Is this certified by more than one scheme?</td>
<td>No</td>
</tr>
<tr>
<td>Is embedded soy certified through this scheme?</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Please explain</td>
<td>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 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.</td>
</tr>
</tbody>
</table>
### Form of commodity
- Paper
- Primary packaging

### Volume of production/c. consumption certified
- 4349 Metric tons

### Metric for volume

### Is this certified by more than one scheme?
- No

### Is embedded soy certified through this scheme?
- Not applicable

**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 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.

### 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
- 9.5

### Form of commodity
- Paper
- Primary packaging

### Volume of production/c. consumption certified
- 40257 Metric tons

### Metric for volume

### Is this certified by more than one scheme?
- No

### Is embedded soy certified through this scheme?
- Not applicable

**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 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.

### 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
- 1.3

### Form of commodity
- Paper
- Primary packaging

### Volume of production/c. consumption certified
- 5814 Metric tons

### Metric for volume
Is this certified by more than one scheme?
No

Is embedded soy certified through this scheme?
Not applicable

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 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.

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
6.5

Form of commodity
Paper
Primary packaging

Volume of production/consumption certified
27507

Metric for volume
Metric tons

Is this certified by more than one scheme?
No

Is embedded soy certified through this scheme?
Not applicable

Please explain
Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well as 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.

An estimated 42% of our paper-based packaging volume supply came from certified sources of virgin fiber based on reported data. An additional estimated 28% of our reported paper-based packaging came from recycled sources, of which 30% met the FSC Recycled certification. Non-recycled, non-certified paper-based packaging is currently estimated to be 30% 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.

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
64.78

Form of commodity
Refined palm oil

Volume of production/consumption certified
150320

Metric for volume
Metric tons

Is this certified by more than one scheme?
No

Is embedded soy certified through this scheme?
Not applicable

Please explain
Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well as 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 98% of our global store count of over 55,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchasing of RSPO credits an estimated 64.78% of our system volume is covered by RSPO Book & Claim credit purchasing.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
</table>

**Third-party certification scheme**
RSPO Mass Balance

**Chain-of-custody model used**
<Not Applicable>

**% of total production/consumption volume certified**
28.08

**Form of commodity**
Refined palm oil

**Volume of production/consumption certified**
62156

**Metric for volume**
Metric tons

**Is this certified by more than one scheme?**
No

**Is embedded soy certified through this scheme?**
Not applicable

**Please explain**
Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well as 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 55,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchasing of RSPO, an estimated 28.08% of that volume is certified by RSPO Mass Balance.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
</table>

**Third-party certification scheme**
RSPO Segregated

**Chain-of-custody model used**
<Not Applicable>

**% of total production/consumption volume certified**
0.12

**Form of commodity**
Refined palm oil

**Volume of production/consumption certified**
271

**Metric for volume**
Metric tons

**Is this certified by more than one scheme?**
No

**Is embedded soy certified through this scheme?**
Not applicable

**Please explain**
Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well as 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 55,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchasing of RSPO, an estimated 0.12% of that volume is certified by RSPO Segregated.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
</table>

**Third-party certification scheme**
RSPO Identity Preserved

**Chain-of-custody model used**
<Not Applicable>

**% of total production/consumption volume certified**
3.01

**Form of commodity**
Refined palm oil

Volume of production/consumption certified 6980

Metric for volume Metric tons

Is this certified by more than one scheme? No

Is embedded soy certified through this scheme? Not applicable

**Please explain**

Our public policy states that we will give preference to palm oil suppliers who are certified by RSPO, as well as 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 55,000 restaurants. Non-represented restaurants were estimated and included. Based on reported data and our purchasing of RSPO, an estimated 3.01% of that volume is certified by RSPO Identity Preserved.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Cattle products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third-party certification scheme</td>
<td>Other, please specify (Canadian Roundtable on Sustainable Beef, PACCO Guidelines, Verified Beef Production Plus Program (VBP+))</td>
</tr>
<tr>
<td>Chain-of-custody model used</td>
<td>Not applicable</td>
</tr>
<tr>
<td>% of total production/consumption volume certified</td>
<td>1.8</td>
</tr>
<tr>
<td>Form of commodity</td>
<td>Beef</td>
</tr>
<tr>
<td>Volume of production/consumption certified</td>
<td>3645</td>
</tr>
</tbody>
</table>

Metric for volume Metric tons

Is this certified by more than one scheme? No

Is embedded soy certified through this scheme? Not applicable

**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. As reported by participating Beef suppliers in our 2022 analysis, an estimated 1.8% of total beef volume was certified by various third-party certification schemes, including the Canadian Roundtable for Sustainable Beef, NACCO Guidelines and Verified Beef Production Plus Program (VBP+). We are continuing to work with suppliers to refine data gathering and monitor beef standards as they develop.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third-party certification scheme</td>
<td>RTRS (any type)</td>
</tr>
<tr>
<td>Chain-of-custody model used</td>
<td>Not applicable</td>
</tr>
<tr>
<td>% of total production/consumption volume certified</td>
<td>1.2</td>
</tr>
<tr>
<td>Form of commodity</td>
<td>Soy bean meal</td>
</tr>
<tr>
<td>Volume of production/consumption certified</td>
<td>63348</td>
</tr>
</tbody>
</table>

Metric for volume Metric tons

Is this certified by more than one scheme? No

Is embedded soy certified through this scheme? Yes

**Please explain**

The collection of soy data is extremely challenging. We do not buy soy directly and its use is generally very deep in our value chain with its primary use being for animal feed. Many of our protein suppliers are not able to provide this information. The analysis showed that based on our survey results and estimated volumes, approximately 48% of our soy consumption could be covered by various certification schemes. Approximately 1.2% is covered by RTRS certifications, including Chain of Custody, Responsible Soy Production and Certificate Trading schemes. We are 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
0.9

Form of commodity
Soy bean meal

Volume of production/ consumption certified
44568

Metric for volume
Metric tons

Is this certified by more than one scheme?
No

Is embedded soy certified through this scheme?
Yes

Please explain
The collection of soy data is extremely challenging. We do not buy soy directly and its use is generally very deep in our value chain with its primary use being for animal feed. Many of our protein suppliers are not able to provide this information. The analysis showed that based on our survey results and estimated volumes, approximately 48% of our soy consumption could be covered by various certification schemes. Approximately 0.9% is covered by ISCC. As this was the second year of collecting data, we expect refinement in the future. We are 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
0.2

Form of commodity
Soy bean meal

Volume of production/ consumption certified
9874

Metric for volume
Metric tons

Is this certified by more than one scheme?
No

Is embedded soy certified through this scheme?
Yes

Please explain
The collection of soy data is extremely challenging. We do not buy soy directly and its use is generally very deep in our value chain with its primary use being for animal feed. Many of our protein suppliers are not able to provide this information. The analysis showed that based on our survey results and estimated volumes, approximately 48% of our soy consumption could be covered by various certification schemes. Approximately 0.2% is covered by ProTerra. We are 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, U.S. Soy Sustainability Assurance Protocol (SSAP), Cargill Triple S, ADM Responsible Soy Version 2)

Chain-of-custody model used
Not applicable

% of total production/consumption volume certified
45.4

Form of commodity
Soy bean meal

Volume of production/ consumption certified
2374695

Metric for volume
Metric tons

Is this certified by more than one scheme?
No
Is embedded soy certified through this scheme?

Yes

Please explain

The collection of soy data is extremely challenging. We do not buy soy directly and its use is generally very deep in our value chain with its primary use being for animal feed. Many of our protein suppliers are not able to provide this information. The analysis showed that based on our survey results and estimated volumes, approximately 48% of our soy consumption could be covered by various certification schemes. Approximately 45.4% is covered by other schemes including CRS, Europe Soja, U.S. Soy Sustainability Assurance Protocol (SSAP), Cargill Triple S, and ADM Responsible Soy, version 2, with the SSAP being the primary certification scheme. We are 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?

<table>
<thead>
<tr>
<th>Commodity</th>
<th>System to control, monitor or verify compliance</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes, we have a system in place for our no conversion and/or deforestation commitments</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes, we have a system in place for our no conversion and/or deforestation commitments</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes, we have a system in place for our no conversion and/or deforestation commitments</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes, we have a system in place for our no conversion and/or deforestation commitments</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Rubber</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Cocoa</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Coffee</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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 (i.e., FSC, SFI, PEFC) or recycled materials. 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
61-70%

% of total suppliers in compliance
91-99%

Response to supplier non-compliance
Retain & engage
Suspend & engage
Exclude
No response

% of non-compliant suppliers engaged
51-60%

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 policies as stated in the Yum! Supplier Code of Conduct. Our policy for fiber-based packaging includes using third-party certification systems to demonstrate compliance, which is tracked on an annual basis. Our goal is for suppliers to use 100% certified or recycled materials. Yum! recognizes certificates including FSC, PEFC and SFI and requests that suppliers provide the volume of material and specific certification system used. This data is compiled to ascertain compliance with the policy, progress on goals and if corrective measures, up to and including removal from the Yum! supply chain, are warranted.

Brand supply chain leaders are responsible for evaluating the degree of non-compliance, developing corrective action plans, engaging with non-compliant suppliers and are focused on moving all suppliers to meeting our goal, and if necessary, removal of suppliers from the system in consultation with other functions and partners. We have
taken action in the past as APP, APRIL and its subsidiaries have been removed from the Yum! system as approved suppliers. It is expected that many suppliers will be engaged by our supply chain in 2023 based on the 2022 performance results.

As of 2022, an estimated 93% of suppliers reported that at least a portion of their supply came from recycled and/or certified sources. Based on this data, an estimated 70% of the total fiber volume was from recycled or certified sources.

**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 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.

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

<table>
<thead>
<tr>
<th>% of total volume in compliance</th>
<th>91-99%</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of total suppliers in compliance</td>
<td>51-60%</td>
</tr>
</tbody>
</table>

**Response to supplier non-compliance**
- Retain & engage
- Suspend & engage
- Exclude

| % of non-compliant suppliers engaged | 51-60% |

**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 the Yum! Supplier Code of Conduct. Our policy for palm oil prioritizes third-party certified products, primarily and preferably RSPO, to demonstrate compliance. Our goal is for suppliers to use 100% RSPO certified palm oil each year. Yum! requests suppliers to annually provide data, which is compiled 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.

Brand supply chain leaders are responsible for evaluating the degree of non-compliance, developing corrective action plans, engaging with non-compliant suppliers and are focused on moving all suppliers to meeting our goal, and if necessary, removal of suppliers from the system in consultation with other functions and partners. We have taken action in the past as Indofood has been removed from the Yum! system as an approved supplier. It is expected that most suppliers will be engaged by our supply chain in 2023 based on the 2022 performance results.

In 2022, we received representation from an estimated 98% of our global store count of over 55,000 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 96% of the procured volume of palm oil used for cooking supported the production of sustainable palm oil.

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**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 and 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**
Geospatial monitoring tool
Other, please specify (self-reporting - traceability )

| % of total volume in compliance | 91-99% |
% of total suppliers in compliance
51-60%

Response to supplier non-compliance
Retain & engage
Suspend & engage
Exclude
No response

% of non-compliant suppliers engaged
<10%

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 policies as stated in the Yum! Supplier Code of Conduct. Our commitment is to procure beef in support with our endorsement of the NYDF. Yum!’s cattle policy does not require a certification to demonstrate compliance, however, we do recognize and encourage third-party certifications, which are voluntarily reported on an annual basis. A challenge that we face in setting a requirement is the lack of a robust, well adopted third-party system. Through our limited use of soy-based geospatial monitoring, risk in the cattle supply chain can be noted in regions of higher deforestation risk.

Brand supply chain leaders are responsible for evaluating the degree of non-compliance, developing corrective action plans, engaging with non-compliant suppliers, and if necessary, removal of suppliers from the system in consultation with other functions and partners. It is expected that some of our largest suppliers will be engaged by our supply chain in 2023 based on the 2022 performance results.

In 2022, an estimated 93% of total beef volume was sourced from origins of lower deforestation risk as defined by CDP and over 98% was sourced from outside of Brazil. Approximately 80% of our responding sources were from the United States or Canada. 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
61-70%

Response to supplier non-compliance
Retain & engage
Suspend & engage
Exclude
No response

% of non-compliant suppliers engaged
10-20%

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 policies as stated in the Yum! Supplier Code of Conduct. Our soy policy does not require a certification to demonstrate compliance, however, we do recognize and encourage third-party certifications, which are voluntarily reported on an annual basis. Yum! requests that suppliers provide certification data. This data is compiled to ascertain compliance with the policy and progress on goals.

Our commitment is to procure so in accordance with our endorsement of the NYDF. We have begun working to better understand the sourcing of so within our system. We reserve the right to address suppliers not conforming to our policy with evidence of bad behavior. Brand 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. It is expected that our European business, given their commitments and use of so from geographies of potential higher risk of deforestation, will take the lead with supplier engagement in 2023 based on the 2022 performance results.

Based on the results of our 2022 Soy supplier survey, an estimated 63% of total soy volume was sourced from origins of lower deforestation risk as defined by CDP. We look forward to improving our ability to gather and report on this information in the future.
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.

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Assess legal compliance with forest regulations</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>Yes, from suppliers</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Palm oil</td>
<td>Yes, from suppliers</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Cattle products</td>
<td>Yes, from suppliers</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Soy</td>
<td>Yes, from suppliers</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Rubber</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Cocoa</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other - Coffee</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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 2022, approximately 86% 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 2022. Supplier responses to the survey are indications, but not assurance, of legal compliance.

Country/Area of origin
- Australia
- Brazil
- Cambodia
- Colombia
- India
- Indonesia
- Malaysia
- Panama
- 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 2022, 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
- Colombia
- Ecuador
- Ghana
- Indonesia
- Malaysia
- Mexico
- 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 2022, 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
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 2022, 47% 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
Brazil
India
Kenya
Paraguay
Zambia
Zimbabwe

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.

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F6.7

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

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Are you working with smallholders?</th>
<th>Type of smallholder engagement approach</th>
<th>Smallholder engagement approach</th>
<th>Number of smallholders engaged</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber products</td>
<td>No, not working with smallholders</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.</td>
</tr>
<tr>
<td>Palm oil</td>
<td>No, not working with smallholders</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.</td>
</tr>
<tr>
<td>Cattle products</td>
<td>No, not working with smallholders</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.</td>
</tr>
<tr>
<td>Soy</td>
<td>No, not working with smallholders</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Due to the size of our organization and a diverse global supply chain, we currently do not work with smallholders.</td>
</tr>
<tr>
<td>Rubber - Other</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Cocoa - Other</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Coffee - Other</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

F6.8

(F6.8) Indicate if you are working with your direct suppliers to drive action on forests-related issues and if so, provide details of the engagement.

Forest risk commodity
Timber products
Are you working with direct suppliers?
Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement
Ending deforestation and/or conversion of other ecosystems

Type of engagement
Supply chain mapping
Financial and commercial incentives

Details of engagement
Supplier questionnaires on environmental and social indicators
Developing or distributing supply chain mapping tool
Supplier audits
Paying higher prices linked to best agricultural practices

Description of engagement
In 2022, 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. Our primary engagement approach is our annual survey (supplier questionnaires).

Our Food Safety Quality Assurance Team (FSQA) regularly audits suppliers on key measures of other requirements around product quality, safety and compliance. They use a global management platform to facilitate this work.

In 2022 Yum! Global Sustainability deployed 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 business units and 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.

Sustainably certified fiber-based products can result in increased initial costs that we pay to suppliers for commodities produced using sustainable agriculture practices. We mitigate these costs, as much as possible, through supply chain procurement and strategic specifications.

% of suppliers engaged by procurement spend covered by engagement
95

Explain the impact of your engagement on the selected action
Our efforts are aimed at market transformation. 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. 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.

Is this engagement helping your suppliers engage with their suppliers on the selected action?
Yes

Does this engagement contribute to achieving a reported target?
Yes, please specify target ID(s) (Target 1)

Forest risk commodity
Palm oil

Are you working with direct suppliers?
Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement
Ending deforestation and/or conversion of other ecosystems

Type of engagement
Supply chain mapping
Financial and commercial incentives

Details of engagement
Supplier questionnaires on environmental and social indicators
Developing or distributing supply chain mapping tool
Supplier audits
Paying higher prices linked to best agricultural practices

Description of engagement
In 2022, 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 of other requirements around product quality, safety and compliance. They use a global management platform to facilitate this work.

In 2022 Yum! Global Sustainability deployed 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 business units and 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.

Sustainably certified palm oil products can result in increased initial costs that we pay to suppliers for commodities produced using sustainable agriculture practices. We mitigate these costs, as much as possible, through supply chain procurement and strategic specifications.

% of suppliers engaged by procurement spend covered by engagement
95

Explain the impact of your engagement on the selected action
Our efforts are aimed at market transformation. 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.
Is this engagement helping your suppliers engage with their suppliers on the selected action?
Yes

Does this engagement contribute to achieving a reported target?
Yes, please specify target ID(s) (Target 2)

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle products</td>
</tr>
</tbody>
</table>

Are you working with direct suppliers?
Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement
Ending deforestation and/or conversion of other ecosystems

Type of engagement
Supply chain mapping
Capacity building

Details of engagement
Supplier questionnaires on environmental and social indicators
Developing or distributing supply chain mapping tool
Supplier audits
Offering on-site training and technical assistance
Disseminating technical materials
Organizing capacity building events
Investing in pilot projects

Description of engagement
In 2022, 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 of other requirements around product quality, safety and compliance. They use a global management platform to facilitate this work.

In 2022 Yum! Global Sustainability deployed 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 business units and 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.

Our plan to address this includes education on the fundamentals of emissions reductions and participation in test pilots to help industries develop programs to experiment and learn. Regarding education, since 2021 we have participated in the Supplier Leadership on Climate Transition (Supplier LoCT), a consortium of multinational companies created to accelerate action throughout the supply chain in the march toward net-zero GHG emissions. The program helps suppliers build climate knowledge, calculate emissions, set their own SBTs and share climate roadmaps and playbooks. We are planning to roll out Supplier LoCT more broadly around the world in the future.

% of suppliers engaged by procurement spend covered by engagement
95

Explain the impact of your engagement on the selected action
For beef, our highest emitting commodity, we have established a collaboration with Cargill, a long time supplier for Taco Bell, and the National Fish and Wildlife Foundation to expand sustainable farming practices in the beef supply chain. In 2023 organizations supporting ranchers can submit applications for funding for projects starting in 2024. The collaboration will establish a $2 million fund to conserve natural resources and reduce climate impacts.

In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level carbon footprinting giving them the ability to apply for funds to implement greenhouse gas reducing projects. It will help farmers feed their cows more efficiently, leading to a natural reduction in greenhouse gas emissions and waste. By 2025, the end of the three-year program, Pizza Hut aims to source 50% of the dairy used to make its pizza cheese from dairy farms enrolled in the FARM ES program.

Is this engagement helping your suppliers engage with their suppliers on the selected action?
Yes

Does this engagement contribute to achieving a reported target?
Yes, please specify target ID(s) (Target 3)

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Soy</td>
</tr>
</tbody>
</table>

Are you working with direct suppliers?
Not applicable

Action(s) on forests-related issues driven by engagement
<Not Applicable>

Type of engagement
<Not Applicable>

Details of engagement
<Not Applicable>

Description of engagement
Soy, which is a primary ingredient in poultry and livestock feed, has a supply chain involving soybean farmers, processors, feed mills, poultry suppliers and finally Yum! restaurants. While our business does not have direct soy suppliers and is at least five steps removed from the soybean field, we continue to work across our supply chain to achieve greater levels of visibility and accountability.

In 2022, 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 2022 Yum! Global Sustainability deployed 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 business units and 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 2021-2022 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 open-source datasets and scouring was created where applicable.

% of suppliers engaged by procurement spend covered by engagement
<Not Applicable>

Explain the impact of your engagement on the selected action
<Not Applicable>

Is this engagement helping your suppliers engage with their suppliers on the selected action?
<Not Applicable>

Does this engagement contribute to achieving a reported target?
<Not Applicable>

F6.9

(F6.9) Indicate if you are working beyond your first-tier supplier(s) to drive action on forests-related issues, and if so, provide details of the engagement.

Forest risk commodity
Timber products

Are you working beyond first tier?
Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement
Ending deforestation and/or conversion of other ecosystems

Type of engagement
Supply chain mapping
Innovation and collaboration

Details of engagement
Supplier questionnaires on environmental and social indicators
Collaborate with suppliers on innovations to reduce forest-related impacts in products and services

Description of engagement
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 on an ongoing basis.

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. We annually collect information from applicable suppliers. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress toward reducing the relative environmental footprint of their operations.

We have been members of the NextGen Consortium since 2018 to help advance food-service packaging solutions that are recoverable. We extended our existing partnership in 2021 for another three years to continue to support the development of sustainable packaging innovations. Through the consortium, we work with fiber and other packaging suppliers to increase the adoption of sustainable, scalable alternatives to single-use packaging.

Explain the impact of your engagement on the selected action
Our efforts are aimed at market transformation. 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. 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.

Does this engagement contribute to achieving a reported target?
Yes, please specify target ID(s) (Target 1)

Forest risk commodity
Palm oil

Are you working beyond first tier?
Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement
Ending deforestation and/or conversion of other ecosystems

Type of engagement
Supply chain mapping
Innovation and collaboration

Details of engagement
Supplier questionnaires on environmental and social indicators
Collaborate with suppliers on innovations to reduce forest-related impacts in products and services
Description of engagement
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.

Yum! has been a member of RSPO since 2017. Through RSPO we engage with suppliers through participation in the Jurisdictional Working Group, in support of market transformation. This is an effort to collaborate with suppliers on innovative land management techniques to reduce forest impacts.

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. Taco Bell has extended the goal to include palm oil contained with secondary suppliers which is directed to food 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 on an ongoing basis. 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 of palm oil for cooking).

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. We annually collect information from applicable suppliers. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress toward reducing the relative environmental footprint of their operations.

Explain the impact of your engagement on the selected action
Our efforts are aimed at market transformation. 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.

Does this engagement contribute to achieving a reported target?
Yes, please specify target ID(s) (Target 2)

Forest risk commodity
Cattle products

Are you working beyond first tier?
Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement
Ending deforestation and/or conversion of other ecosystems

Type of engagement
Supply chain mapping
Innovation and collaboration

Details of engagement
Supplier questionnaires on environmental and social indicators
Collaborate with suppliers on innovations to reduce forest-related impacts in products and services

Description of engagement
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 on an ongoing basis.

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. We annually collect information from applicable suppliers. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress toward reducing the relative environmental footprint of their operations.

For beef, our highest emitting commodity, we have established a collaboration with Cargill, a long time supplier for Taco Bell, and the National Fish and Wildlife Foundation to expand sustainable farming practices in the beef supply chain. The collaboration will establish a $2 million fund to conserve natural resources and reduce climate impacts. In 2023 organizations supporting ranchers can submit applications for funding for projects starting in 2024.

In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level carbon footprinting. By 2025, the end of the three-year program, Pizza Hut aims to source 50% of the dairy used to make its pizza cheese from dairy farms enrolled in the FARM ES program.

Explain the impact of your engagement on the selected action
For beef, our highest emitting commodity, we have established a collaboration with Cargill, a long time supplier for Taco Bell, and the National Fish and Wildlife Foundation to expand sustainable farming practices in the beef supply chain. The collaboration will establish a $2 million fund to conserve natural resources and reduce climate impacts. In 2023 organizations supporting ranchers can submit applications for funding for projects starting in 2024.

In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level carbon footprinting, giving them the ability to apply for funds to implement greenhouse gas reducing projects. It will help farmers feed our cows more efficiently, leading to a natural reduction in greenhouse gas emissions and waste. By 2025, the end of the three-year program, Pizza Hut aims to source 50% of the dairy used to make its pizza cheese from dairy farms enrolled in the FARM ES program.

Does this engagement contribute to achieving a reported target?
Yes, please specify target ID(s) (Target 3)

Forest risk commodity
Soy

Are you working beyond first tier?
Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement
Ending deforestation and/or conversion of other ecosystems

**Type of engagement**
Supply chain mapping

**Details of engagement**
Developing or distributing supply chain mapping tool
Supplier questionnaires on environmental and social indicators
On-site meetings with indirect suppliers

**Description of engagement**
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 on an ongoing basis.

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. We annually collect information from applicable suppliers. Their participation in reporting is a demonstration of environmental management and leadership to meet or exceed environmental standards with year-over-year progress toward reducing the relative environmental footprint of their operations.

In 2021-2022 we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain through our European business unit. Meetings were held with suppliers regarding soy used in poultry feed within the value 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 open-source datasets and scouring was created where applicable.

**Explain the impact of your engagement on the selected action**
Our efforts are aimed at market transformation. 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.

In 2021-2022 we partnered with FAI Farms to study the volume of soya currently consumed in the KFC Brazil supply chain though our European business unit. Meetings were held with suppliers regarding soy used in poultry feed within the value 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 open-source datasets and scouring was created where applicable.

**Does this engagement contribute to achieving a reported target?**
Yes, please specify target ID(s) (Target 4)

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**F6.10**

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

<table>
<thead>
<tr>
<th>Do you engage in landscape/jurisdictional approaches?</th>
<th>Primary reason for not engaging in landscape and/or jurisdictional approaches</th>
<th>Explain why your organization does not engage in landscape/jurisdictional approaches, and describe plans to engage in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, we engage in landscape/jurisdictional approaches</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

---

**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.**

<table>
<thead>
<tr>
<th>Criteria for prioritizing landscapes/jurisdictions for engagement</th>
<th>Explain your process for prioritizing landscapes/jurisdictions for engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity for increased human well-being in area</td>
<td>Yum! Brands endorsed the New York Declaration on Forests (NYDF) and the private sector goal of eliminating deforestation from the production of agricultural commodities such as beef, soy, palm oil and paper products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.</td>
</tr>
<tr>
<td>Response to regulation</td>
<td>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 that “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.”</td>
</tr>
<tr>
<td>Risk of deforestation, forests/land degradation, or conversion of other natural ecosystems</td>
<td></td>
</tr>
<tr>
<td>Risk of supplier non-compliance in area</td>
<td></td>
</tr>
</tbody>
</table>
(F6.10b) Provide details of your engagement with landscape/jurisdictional approaches to sustainable land use during the reporting year.

Landscape/Jurisdiction ID
LJ1

Country/Area
Malaysia

Name of landscape or jurisdiction area
Sabah

Types of partners engaged in the initiative design and implementation
National government
Subnational government
International company(ies)
Direct supplier(s)
Other, please specify (RSPO)

Type of engagement
Supporter: Implement activities to support at least one goal

Goals supported by engagement
Avoided deforestation/conversion of natural ecosystems and/or decreased degradation rate
Decreased ecosystem degradation rate
Increased adoption of sustainable production practices (e.g., input use efficiency and water management practices)

Company actions supporting approach
Help establish a transparent governance platform responsible for managing the initiative and its activities with clear roles, responsibilities and balanced decision-making
Collaborate on commodity traceability
Use preferential sourcing to support landscape/jurisdictional initiatives that are demonstrating progress

Description of engagement
RSPO Jurisdictional Working Group (JWG)

Engagement start year
2017

Engagement end year
Please specify (2023)

Estimated investment over the project period (currency)
15000

Is a collective monitoring framework used to measure progress?
Yes, progress is collectively monitored using a shared external framework, please specify (RSPO)

State the achievements of your engagement so far, and how progress is monitored
Our participation in the RSPO Jurisdictional Approach Working Group is dedicated to creating a framework for use by interested parties. The piloting framework is now available. The Jurisdictional Approach is a new framework for RSPO, taking a larger perspective than the production unit, and incorporating the government as a key stakeholder.

F6.10c

(F6.10c) For each of your disclosed commodities, provide details of the production/consumption volumes from each of the jurisdictions/landscapes you engage in.

<table>
<thead>
<tr>
<th>Indicate landscape/jurisdiction ID</th>
<th>Does any of your commodity production/consumption volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?</th>
<th>Commodity</th>
<th>% of total production/consumption volume from this landscape/jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>LJ1</td>
<td>Yes, we do produce/consume from this landscape/jurisdiction, but we are not able/willing to disclose volume data</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

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
Other, please specify (Global)

Subnational area
Not applicable

Initiatives
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 private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation 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 2021-2022, we engaged WWF to consult on our implementation plan aligned with the Accountability Framework initiative. This involves reviewing current and future plastics and packaging use, trade-off analysis for design decisions and infrastructure improvement opportunities.

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**Forest risk commodity**

- Palm oil

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Country/Area**

Other, please specify (Global)

**Subnational area**

Not applicable

**Initiatives**

- Tropical Forest Alliance 2020 (TFA)
- Roundtable on Sustainable Palm Oil (RSPO)
- Other, please specify (New York Declaration on Forests)

**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 private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation by 2030.

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**Forest risk commodity**

- Cattle products

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Country/Area**

United States of America

**Subnational area**

Not applicable

**Initiatives**

Other, please specify (U.S. Roundtable for Sustainable Beef (USRSB))

**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.

For beef, our highest emitting commodity, we have established a collaboration with Cargill, a long time supplier for Taco Bell, and the National Fish and Wildlife Foundation to expand sustainable farming practices in the beef supply chain. The collaboration will establish a $2 million fund to conserve natural resources and reduce climate impacts. In 2023 organizations supporting ranchers can submit applications for funding for projects starting in 2024.

In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level carbon footprinting, giving them the ability to apply for funds to implement greenhouse gas reducing projects. It will help farmers feed their cows more efficiently, leading to a natural reduction in greenhouse gas emissions and waste. By 2025, the end of the three-year program, Pizza Hut aims to source 50% of the dairy used to make its pizza cheese from dairy farms enrolled in the FARM ES program.

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**Forest risk commodity**

- Soy
Do you participate in activities/initiatives?
Yes

Activities
Involved in multi-partnership or stakeholder initiatives

Country/Area
Other, please specify (Global)

Subnational area
Not applicable

Initiatives
Tropical Forest Alliance 2020 (TFA)
UK Roundtable on Sustainable Soy
Other, please specify (New York Declaration on Forests)

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 private sector goal of eliminating deforestation from the production of agricultural commodities such as palm oil, soy, paper and beef products which originally targeted 2020 but is now looking to achieve this well before 2030, and striving to end natural forest loss and degradation 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 our 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 soya 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 long-term 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

Expected benefits of project
Improvement of water availability and quality
Improvement to soil health
Increase in carbon sequestration
Net gain in biodiversity and ecosystem integrity
Reduce/halt biodiversity loss
Reduction of air pollution
Reduction of GHG emissions
Restoration of natural ecosystem(s)

Is this project originating any carbon credits?
No

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 350 million hectares of degraded landscapes and forestlands by 2030.

To date, the NYDF estimates that 36.7 million hectares are under restoration, with the largest areas in Latin America (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua) and East Asia (China). 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 global project, which we support.

Where is the project taking place in relation to your value chain?
Project based in sourcing area(s)

Start year
2019

Target year
2030

**Project area to date (Hectares)**
36700000

**Project area in the target year (Hectares)**
350000000

**Country/Area**
United States of America

**Latitude**
40.73061

**Longitude**
-73.935242

**Monitoring frequency**
Annually

**Total investment over the project period (currency)**
0

**For which of your expected benefits are you monitoring progress?**
Other, please specify (Success of the NYDF)

**Please explain**
Our support of the New York Declaration of Forests includes Goal 5, which is to restore 350 million hectares of degraded landscapes and forestlands by 2030.

To date, the project has been executed across the globe in Latin America, North America, Europe and Russia, East Asia, South Asia, Southeast Asia and Oceania. For the purposes of this disclosure, we have selected the USA as the project country and reported the geographic information of the state of New York as a general representation of a point within the area of the global project pursuant to CDP’s reporting guidance. Please note that reported details represent the progress of the entire global project based on the latest updates published by NYDF.

**Project reference**
Project 2

**Project type**
Other ecosystem restoration

**Expected benefits of project**
Contribution to net zero goals
Contribution to SBTi target(s)
Improvement of water availability and quality
Improvement to soil health
Improvement to sustainability of production practices
Net gain in biodiversity and ecosystem integrity
Reduce/halt biodiversity loss
Reduction of air pollution
Reduction of GHG emissions
Restoration of natural ecosystem(s)

**Is this project originating any carbon credits?**
No

**Description of project**
Leveraging the expertise of the National Wildlife Federation, this partnership will support beef producers with technical and financial tools to expand their regenerative ranching practices, from conserving grassland ecosystems to improving river water quality and biodiversity. The commitment from Cargill and Taco Bell will allocate $2 million and will leverage up to $2 million in federal funds for a combined total of $4 million in new grants over the next four years.

While the grasslands where beef cattle live might look vast and bountiful, the land is under threat from climate change, invasive species, limited water and residential developments. This partnership is estimated to conserve and restore tens of thousands of acres and benefit the inhabiting wildlife, from elk to songbirds, all while giving cattle abundant grazing land. These efforts are expected to sequester up to 44,000 metric tons of carbon dioxide equivalent per year in 2030.

Organizations supporting ranchers as they seek to implement regenerative agricultural practices across the Intermountain West can submit applications in 2023, with projects anticipated to start in 2024. The program will impact a vast region stretching from the Colorado Rockies to the Great Basin, including local organizations and communities across portions of seven states: Colorado, Idaho, Montana, Nevada, Oregon, Utah and Wyoming.

**Where is the project taking place in relation to your value chain?**
Project based in sourcing area(s)

**Start year**
2023

**Target year**
2030

**Project area to date (Hectares)**
0

**Project area in the target year (Hectares)**
0

**Country/Area**
United States of America

**Latitude**
39.742
Leveraging the expertise of the National Wildlife Federation, this partnership will support beef producers with technical and financial tools to expand their regenerative ranching practices, from conserving grassland ecosystems to improving river water quality and biodiversity. The commitment from Cargill and Taco Bell will allocate $2 million and will leverage up to $2 million in federal funds for a combined total of $4 million in new grants over the next four years.

While the grasslands where beef cattle live might look vast and bountiful, the land is under threat from climate change, invasive species, limited water and residential developments. This partnership is estimated to conserve and restore tens of thousands of acres and benefit the inhabiting wildlife, from elk to songbirds, all while giving cattle abundant grazing land. These efforts are expected to sequester up to 44,000 metric tons of carbon dioxide equivalent per year in 2030.

Organizations supporting ranchers as they seek to implement regenerative agricultural practices across the Intermountain West can submit applications in 2023, with projects anticipated to start in 2024. The program will impact a vast region stretching from the Colorado Rockies to the Great Basin, including local organizations and communities across portions of seven states: Colorado, Idaho, Montana, Nevada, Oregon, Utah and Wyoming. We have reported the geographic information of the state of Colorado as a general representation of a point within the area of the project pursuant to CDP’s reporting guidance.

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**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

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**F8. Barriers and challenges**

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**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.

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Timber products</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coverage</strong></td>
<td>Supply chain</td>
</tr>
<tr>
<td><strong>Primary barrier/challenge type</strong></td>
<td>Limited availability of certified materials</td>
</tr>
<tr>
<td><strong>Comment</strong></td>
<td>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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Palm oil</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coverage</strong></td>
<td>Supply chain</td>
</tr>
<tr>
<td><strong>Primary barrier/challenge type</strong></td>
<td>Limited availability of certified materials</td>
</tr>
<tr>
<td><strong>Comment</strong></td>
<td>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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Cattle products</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coverage</strong></td>
<td>Supply chain</td>
</tr>
<tr>
<td><strong>Primary barrier/challenge type</strong></td>
<td>Inexistent or immature certification standards</td>
</tr>
<tr>
<td><strong>Comment</strong></td>
<td>The development of more mature, well adopted certification standards would help provide a common language and set of expectations with suppliers. This would increase the capability to engage and encourage the taking of measures to reduce the industry’s environmental footprint. The current set of programs has very low adoption, and supplier familiarity is not at a commercial scale.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forest risk commodity</th>
<th>Soy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coverage</strong></td>
<td>Supply chain</td>
</tr>
<tr>
<td><strong>Primary barrier/challenge type</strong></td>
<td>Lack of adequate and/or consolidated monitoring</td>
</tr>
<tr>
<td><strong>Comment</strong></td>
<td>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.</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Coverage</td>
<td>Supply chain</td>
</tr>
<tr>
<td><strong>Main measure</strong></td>
<td>Reduced cost of certification/certified products</td>
</tr>
<tr>
<td><strong>Comment</strong></td>
<td>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.</td>
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<tr>
<td><strong>Main measure</strong></td>
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<tr>
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<td>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.</td>
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<tr>
<td>Coverage</td>
<td>Supply chain</td>
</tr>
<tr>
<td><strong>Main measure</strong></td>
<td>Development of certification and sustainability standards</td>
</tr>
<tr>
<td><strong>Comment</strong></td>
<td>The development of more mature, well adopted certification standards would help provide a common language and set of expectations with suppliers. This would increase the capability to engage and encourage the taking of measures to reduce the industry’s environmental footprint.</td>
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<tbody>
<tr>
<td>Coverage</td>
<td>Supply chain</td>
</tr>
<tr>
<td><strong>Main measure</strong></td>
<td>Greater supplier awareness/engagement</td>
</tr>
<tr>
<td><strong>Comment</strong></td>
<td>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. Greater supplier engagement would aid in data collection and sharing.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer (CEO)</td>
<td>Chief Executive Officer (CEO)</td>
</tr>
</tbody>
</table>

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>Understand that my response will be shared with all requesting stakeholders</th>
<th>Response permission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Public</td>
</tr>
</tbody>
</table>

Please confirm below

I have read and accept the applicable Terms