Yum! Brands, Inc. - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description 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.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
1 year

Select the number of past reporting years you will be providing Scope 2 emissions data for
1 year

Select the number of past reporting years you will be providing Scope 3 emissions data for
1 year

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Canada
France
Germany
India
Israel
Italy
Netherlands
Singapore
South Africa
Spain
Switzerland
Thailand
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5
(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) 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>

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Position of individual or committee</th>
<th>Responsibilities for climate-related issues</th>
</tr>
</thead>
</table>
| Chief Executive Officer (CEO) | As the top operational decision-maker and member of the Board of Directors, the CEO has the ultimate responsibility for climate-related issues. This reflects the importance that the company gives to the topic as part of our citizenship and sustainability strategy called the Recipe for Good Growth. An example of a climate-related decision that the CEO was involved in was the setting of our science-based targets strategy in 2021. In 2022, our harmonized packaging policy, which has a climate-related impact, was approved by our CEO. Oversight for environmental, social and governance issues (“ESG”) ultimately resides with the Board of Directors. The Board receives regular updates on these matters from management through the Audit, Management Planning and Development and Nominating and Governance Committees. In addition, the Board of Directors 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 climate change. Together they are responsible for:
- Leveraging sustainability to promote business growth, drive brand equity and minimize business, social and financial risks of Yum! Brands’ global business enterprise including climate change;
- Focusing on the scope of the business model for the entire business enterprise globally (Franchisee and Corporate);
- Ensuring Yum! Brands operates efficiently and sustainably to drive shareholder value and brand positioning;
- Updating the Audit Committee on an annual basis regarding the Company’s environmental commitments and progress on our climate commitments. |
(C1.1b) Provide further details on the board’s oversight of climate-related issues.

<table>
<thead>
<tr>
<th>Frequency with which climate-related issues are scheduled agenda item</th>
<th>Governance mechanisms into which climate-related issues are integrated</th>
<th>Scope of board-level oversight</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding annual budgets</td>
<td>&lt;Not Applicable&gt;</td>
<td>Yum! Brands believes that good corporate governance is a critical factor in achieving business success and embraces practices that align with management and shareholder interests. Oversight for ESG issues ultimately resides with the Yum! Brands Board of Directors. ESG matters are included on the agenda of most Board or Board committee meetings. The company has an integrated, Board and executive level governance structure to oversee its global sustainability initiatives. The Board receives updates on these matters from management through the Audit, Management Planning and Development, and Nominating and Governance Committees. The committees have initial board-level oversight responsibilities for ESG-related items which fall within the purview of each of their designated areas of responsibility. In early 2023, the Committees’ charters were each amended to clarify the areas of the Company’s ESG strategy and initiatives for which each committee has initial oversight responsibility. Climate-related topics are integrated into the responsibilities of the Nominating and Governance Committee. At the operational level, the Chief Corporate Affairs Officer is responsible for overseeing the global reputation of Yum! Brands and shaping the citizenship and sustainability strategy, Recipe for Good Growth, as approved by the Board, with the Chief Sustainability Officer.</td>
</tr>
</tbody>
</table>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

<table>
<thead>
<tr>
<th>Board member(s) have competence on climate-related issues</th>
<th>Criteria used to assess competence of board member(s) on climate-related issues</th>
<th>Primary reason for no board-level competence on climate-related issues</th>
<th>Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Experience in identifying and addressing risks and opportunities associated with sustainability, including climate-related issues. Ability to engage stakeholders on relevant climate change issues.</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C1.2
(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

**Position or committee**
Chief Sustainability Officer (CSO)

**Climate-related responsibilities of this position**
- Managing annual budgets for climate mitigation activities
- Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
- Providing climate-related employee incentives
- Integrating climate-related issues into the strategy
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing climate-related risks and opportunities

**Coverage of responsibilities**
<Not Applicable>

**Reporting line**
Reports to the board directly

**Frequency of reporting to the board on climate-related issues via this reporting line**
More frequently than quarterly

**Please explain**
The Chief Sustainability Officer (CSO) is responsible for leading the execution of ESG strategies, including climate-related initiatives. Oversight of climate-related issues falls within this individual's responsibilities to promote centralized alignment and execution of our strategy, including collaboration with other position(s) and/or committees, as appropriate. This position reports to the Chief Corporate Affairs Officer, with whom ESG strategy is set, and ultimately to the Chief Executive Officer. The CSO chairs the ESG Council which consists of senior leaders across the company including:
- Chief Operating Officer & Chief People Officer
- Chief Financial Officer
- Chief Corporate Affairs Officer
- Chief Sustainability Officer
- Chief Strategy Officer
- Chief Food Safety Officer
- Chief Equity & Inclusion Officer
- Chief Legal & Franchise Officer & Corporate Secretary
- Chief Food Innovation Officer
- Chief Development Officer
- Vice President, Supply Chain

Oversight for ESG issues ultimately resides with the Board of Directors. The Board receives regular updates on these matters from management through the Audit, Management Planning and Development, and Nominating and Governance Committees.

The brief, on behalf of the ESG Council, typically is performed by our Chief Sustainability Officer and/or General Counsel. In addition, the Board of Directors receives weekly updates on ESG issues, news, and trends that are occurring within our sector. In support of climate-related issues the team of the Chief Sustainability Officer conducts an annual survey of the company to assess progress made. Climate related risks, opportunities, and trends are monitored, and if appropriate issues are elevated for further discussion.

Additional duties of the Chief Sustainability Officer include the representation of sustainability issues, such as climate change, on the Yum! Risk Committee. This senior level committee is responsible for the evaluation and reporting (as appropriate) of possible corporate risk to the Audit Committee of the Board of Directors for inclusion in our public filings. This committee, which looks at short, medium- and long-term risks, prioritizes risks based on a number of factors that impact the business including, but not limited to, financial, operational and reputational factors. More specifically, the size and scope of the potential impact are considered as are the possible duration, and whether the impact is likely to be a one-time occurrence or recurring in nature. The effect of the risk on business strategy given the risks and opportunities in both the short and long term is then considered. Our global citizenship and sustainability strategy reflects Yum! Brands' priorities for socially responsible growth, risk management and sustainable stewardship of our food, planet, and people. We call it our Recipe for Good Growth.

---

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

<table>
<thead>
<tr>
<th>Provide incentives for the management of climate-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Incentives for the management of climate-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 climate-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.</td>
</tr>
</tbody>
</table>

---

(C1.3a)
(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

**Entitled to incentive**
Chief Sustainability Officer (CSO)

**Type of incentive**
Monetary reward

**Incentive(s)**
Bonus - % of salary

**Performance indicator(s)**
Progress towards a climate-related target
Reduction in absolute emissions
Reduction in emissions intensity

**Incentive plan(s) this incentive is linked to**
Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**
The Chief Sustainability Officer is responsible for leading the execution of Yum!’s sustainability strategy, including climate change programs. Performance of the corporation is factored into the incentives provided to this individual.

Performance indicators incorporated into the Chief Sustainability Officer’s incentive plans are intended to facilitate progress evaluation on the successful implementation of our decarbonization plan in support of our science-based targets.

**Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan**
Working to reduce greenhouse gas emissions is part of our mission to build the world’s most loved, trusted and fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. More recently, in 2022, we completed an important program to have 1,000 restaurants and all corporate offices in the United States use renewable energy through renewable energy certificates.

Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). Our brands and their business units are executing against opportunities that support the achievement of our science-based targets and our 2050 net-zero aspiration.

Incentives provided for decarbonization as part of our sustainability priorities contribute to the attainment of targets.

---

**Entitled to incentive**
Environment/Sustainability manager

**Type of incentive**
Monetary reward

**Incentive(s)**
Bonus - % of salary

**Performance indicator(s)**
Progress towards a climate-related target
Reduction in absolute emissions
Reduction in emissions intensity

**Incentive plan(s) this incentive is linked to**
Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**
Sustainability Managers at Yum! are an important component of achieving climate-related targets. They are focused on reducing emissions at restaurants and within the value chain. Performance of the corporation is factored into incentives provided to Sustainability managers.

Performance indicators incorporated into the Sustainability Manager’s incentive plans are intended to facilitate progress evaluation on the successful implementation of our decarbonization plan in support of our science-based targets.

**Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan**
Working to reduce greenhouse gas emissions is part of our mission to build the world’s most loved, trusted and fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. More recently, in 2022, we completed an important program to have 1,000 company restaurants and all corporate offices in the United States use renewable energy through Green-e certified renewable energy certificates.

Our 2030 science-based targets (SBTs) are consistent with reductions required to keep warming to 1.5°C and have been approved by the Science Based Targets initiative (SBTi). Our brands and their business units are executing against opportunities that support the achievement of our science-based targets and our 2050 net-zero aspiration.

Incentives provided for decarbonization as part of our sustainability priorities contribute to the attainment of targets.

---

**C2. Risks and opportunities**

**C2.1**

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes
(C2.1a) How does your organization define short-, medium- and long-term time horizons?

<table>
<thead>
<tr>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Medium-term</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Long-term</td>
<td>5</td>
<td>25</td>
</tr>
</tbody>
</table>

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

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 can be important yet not rise to the provided benchmark of being financially 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 financially substantive at the corporate level. The definition of what would be considered substantive for the company is reviewed at least annually and updated as necessary. However, we do consider climate change to be of strategic importance and include it in evaluations of risks and opportunities for the corporation.

The Board maintains overall responsibility for overseeing Yum!’s risk management, and delegates specific risk-related responsibilities to the Audit Committee and to the Management Planning and Development Committee. 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 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, such as climate change, on the Yum! Risk Committee. This senior level committee is responsible for the evaluation and as appropriate, reporting of possible corporate risk to the Audit Committee of the Board of Directors for inclusion in our public filings. This committee, which looks at short, medium and long term risks, prioritizes risks based on a number of factors that impact the business including, but not limited to, financial, operational and reputational factors. More specifically, the size and scope of the potential impact are considered as are the possible duration, and whether the impact is likely to be a one-time occurrence or recurring in nature. We then consider the effect of the risk on business strategy given the risks and opportunities in both the short and long term. Therefore, climate-related risks, which are embodied at the restaurant and supply chain level, are incorporated into the Company’s broader risk management process.

C2.2
(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
We annually disclose our sustainability progress and include risk evaluation in our standard review processes to better manage our environmental footprint as a global company.

Our Risk Committee addresses a wide range of topics including food safety, nutrition, operations, and other environmental and social factors. Exercises conducted by the committee contain a certain level of stress testing on a number of items on our risk spectrum. This senior level committee is responsible for the evaluation and reporting (as appropriate) of possible corporate risk to the Audit Committee of the Board of Directors for inclusion in our public filings. Our Chief Sustainability Officer represents sustainability issues, such as climate change, on the Yum! Risk Committee.

Risks and opportunities, generally focused on the short term, are also identified, through our sustainability survey whereby we collect GHG-related data for evaluation. This assessment is completed one time a year and helps us to address changes in components of climate risk.

Other types of climate risk monitoring, such as for governmental regulations and emerging regulations, occur more than once a year. These monitoring activities occur at the Yum! level as well as in individual global business units. The monitoring process covers evaluations and decision-making of short, medium, and long term climate-related risks and opportunities that could have a substantive impact on the organization and occurs more than once a year.

Value chain stage(s) covered
Direct operations
Upstream

Risk management process
A specific climate-related risk management process

Frequency of assessment
Every two years

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
We prepare a TCFD disclosure every two to three years to identify and evaluate climate-related risks. Our approach is structured around the four pillars of the TCFD framework. We look at physical and transition risks as they apply to our individual restaurants as well as supply chain partners. This work looks at risks from all short, medium, and long term time horizons relevant to the issue.

C2.2a
(C2.2a) Which risk types are considered in your organization’s climate-related risk assessments?

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current regulation</td>
<td>Relevant, always included</td>
</tr>
</tbody>
</table>

| Emerging regulation | Relevant, always included | Our Government Affairs, Sustainability and Supply Chain teams monitor for adopted climate-related regulations to include in our corporate risk analysis. Our Risk Assessment process for emerging regulatory risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. Emerging regulatory risk potential from climate change is acknowledged and reflected in our work to undertake a study and recently setting of our science based targets. One example of an emerging regulatory risk is increased regulation around plastic packaging. To proactively address and account for such regulatory risks, Yum! Brands’ Sustainability team is working to systematically adopt applicable solutions to increase the sourcing of renewable energy. In 2020, we completed an important program to have 1,000 company restaurants and all corporate offices in the United States use renewable energy through Green-e certified renewable energy certificates. These actions will hopefully promote regulatory compliance, a reduction of climate-related risks, and reduced emissions. |

| Technology | Relevant, always included | Our Yum! Chief Information Security Officer is responsible for risk evaluation and deploying a number of strategies consistent with common industry practices to mitigate cybersecurity risk, including: companywide policies and standards, risk assessments, and risk-based security and encryption protocols. Our Risk Assessment process for Technology risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. Development, Supply Chain, and Sustainability teams also look for new technology to address technology risks. We participate in the NextGen Consortium to help advance food-service packaging solutions that are recoverable. The sustainability team and partnering departments, such as Development and Operations, evaluate new technologies and approaches that address climate change and other climate-related issues. In 2020, IT and Development teams completed another review and explored opportunities of addressing climate risks through our building management systems. Each year Yum! surveys our markets to account for energy-saving technologies (i.e., efficient cooking equipment, building HVAC, etc.) that have been deployed. These actions are intended to promote collaborative technology developments that can lead to a reduction of climate-related risks and reduced emissions in the long term. |

| Legal | Relevant, always included | 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 energy, environmental laws and regulations, health, sanitation, food, and workplace safety. Our Risk Assessment process for Legal risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. One example of a current legal risk is increased regulation around packaging, which is linked to climate and environmental impacts. To proactively address and account for such regulatory risks, Yum! Brands has established increased focus teams to address solutions that are currently available and proactively develop new solutions. We have replaced plastic straws as current regulations require, resulting in continued regulatory compliance, a reduction of climate-related risks, and reduced emissions in the long term. |

| Market | Relevant, always included | The Chief Sustainability Officer works with sustainability leads at KFC, Pizza Hut, Taco Bell, and Habit Burger to develop and lead the execution of our climate strategy which addresses risks and opportunities. Brand sustainability leads work within individual markets and departments including Development, Operations, and Supply Chain. Our Risk Assessment process for market risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. One example of a current market risk is increased regulation around packaging, which is linked to climate and environmental impacts. To proactively address and account for such regulatory risks, Yum! Brands has established increased focus teams to address solutions that are currently available and proactively develop new solutions. We have replaced plastic straws as current regulations require, resulting in continued regulatory compliance, a reduction of climate-related risks, and reduced emissions in the long term. |

| Reputation | Relevant, always included | An example of how reputational risks can impact the business included same-store sales in China declining 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. Following this incident, we took actions that included the removal of the supplier, increased oversight, and communications to earn the trust of consumers. Our Risk Assessment process for reputational risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. |

| Acute physical | Relevant, always included | Acute physical risks resulting from climate change can impact the availability and price of our products that are contingent on agricultural patterns, and acute risks can also impact the operations of restaurants. To study the possible impacts of acute physical risks, we conducted our first TCFD study in 2021. Acute physical risk potential from climate change is acknowledged. An example of the potential impact of an acute physical risk was Hurricane Harvey in 2017 which resulted in 878 cumulative closed store days over a 9-week period. |

| Chronic physical | Relevant, always included | Chronic physical risks resulting from climate change can impact the availability and price of our products that are contingent on stable precipitation patterns and can also impact the operations of restaurants. To study the possible impacts of chronic physical risks, we conducted our first TCFD study in 2021. Chronic physical risk potential from climate change is acknowledged. In recent years droughts in South Africa and Australia have impacted business operations. Restaurants are a relatively energy-intensive business based on the size of our operations, and cost to procure energy varies significantly in different countries across the globe. Disruptions in energy supply and general cost increases can lead to financial burdens on restaurants, such as downtime, loss of product, and operational interruptions. Climate change can exacerbate these chronic issues. Examples of markets for our restaurants that tend to be subject high energy prices or supply disruptions are India, South Africa and numerous countries in our Latin America and Caribbean markets. In India, where the availability of grid electrical power is a chronic problem in many locations, restaurants have taken action to adopt alternative means of procuring power such as generators, as well as maintaining procedures for adjusting to outages. The result is our ability to ensure business continuity, maintaining operations and continuing to serve our customers during power outages. Our Risk Assessment process for chronic physical risks is consistent with our overall risk management framework: corporate and brand cross-functional teams collaborate to identify, study, and rank new and/or emerging risks. Once risks are identified, teams will develop mitigation plans. These risk assessments are then included in strategic business reviews as well as Compliance Oversight Committee and Audit Committee meetings as appropriate. |

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes
(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver
Emerging regulation
Mandates on and regulation of existing products and services

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

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, such as climate change and greenhouse gas emissions, as stated in Part 1 Item 1A within our 2022 Form 10-K.

We are and may become subject to changing rules and regulations promulgated by a number of governmental and self-regulatory organizations with respect to social and environmental sustainability matters. These changing rules, regulations and stakeholder expectations have resulted in, and are likely to continue to result in, an increase in expenses and management focus associated with satisfying such regulations and expectations. As the result of these increased expectations and evolving requirements, as well as our commitment to social and environmental sustainability matters, we may continue to establish or expand goals, commitments, or targets, and take actions to meet such goals, commitments and targets.

The emerging regulations surrounding greenhouse gas emissions in the United States and European Union are examples of emerging regulations on climate change topics. These regulations may impact our direct operations as well as our franchisees and suppliers.

Another example is the ongoing development of single-use plastic bans that impact restaurants. We have seen this in state and city jurisdictions in the United States as well as other international markets such as the plastic bag, utensils and straw ban in Taiwan. As a result, we recently replaced plastic straws, purchased paper bags in certain areas of the United States, and provided more environmentally friendly alternatives in our Taiwanese restaurants in response to the Taiwan Environmental Protection Agency's planned ban on the use of single-use plastic drinking straws. We are also members of the NextGen Consortium to help advance food-service packaging solutions that are recoverable. These actions will hopefully promote continued regulatory compliance, a reduction of climate-related risks, and reduced emissions in the long term.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Low

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)
1200000

Potential financial impact figure – maximum (currency)
4300000

Explanation of financial impact figure
Compliance with new or existing laws and regulations could impact our brands’ franchisees’ operations. Compliance costs associated with these laws and regulations can be variable depending on the law and regulation.

Increased regulation could result in higher energy costs at a local, national or international level. This could either directly impact restaurants or be embedded in the supply chain. Increased energy costs could adversely affect the financial performance of franchisees.

A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "more likely than not" there is a 50%-60% chance of occurrence.

Cost of response to risk
2900000

Description of response and explanation of cost calculation
Our Government Affairs and Sustainability teams routinely work with key stakeholders to understand current and potential future regulations regarding greenhouse gas emissions and climate change. In 2022 we monitored the development of the pending SEC regulations and started a company-specific analysis of the European regulations to determine appropriate steps.

However, we are not standing still and are taking action on numerous fronts. An example is the green restaurant design standard developed by our global Sustainability team, which has been implemented in the UK reducing carbon emissions by over 20% and resulting in a reduction in the carbon taxes paid. Our KFC UK business is also building a net-zero building in partnership with the University of Liverpool’s Zero Carbon Research Institute. The desired result is to establish a path to become a net zero
business by 2040 in line with the UK government's plans.

Beyond this example, contributing cost factors can be increased costs resulting from transition risks as government adjusts to addressing climate change. We have adopted science-based targets and will be increasing the use of renewables. In 2022 we completed an important program to have 1,000 company restaurants and all corporate offices in the United States use renewable energy through Green-e certified renewable energy certificates.

A CDP-specific, climate change risk financial impact model was employed to calculate the estimated cost of responding to this risk. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial figures reflect that as a probability of “more likely than not” there is a 50%-60% chance of occurrence. This work is completed as part of our TCFD analysis and is updated at a frequency of two to three years.

**Comment**

A CDP-specific, climate change risk financial impact model was employed to calculate the estimated financial figures. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of “more likely than not” there is a 50%-60% chance of occurrence.

Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk, it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, supported by thousands of suppliers. Each is subject to varying regulatory risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of regulatory changes that may or may not occur in the future.

---

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

<table>
<thead>
<tr>
<th>Reputation</th>
<th>Shifts in consumer preferences</th>
</tr>
</thead>
</table>

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Our success depends in large part upon our and our brands’ franchisees’ ability to maintain and enhance the value of our brands and customers’ loyalty. Brand value is based in part on consumer perceptions on a variety of subjective qualities as stated in Part I Item 1A within our 2022 Form 10-K.

There has been an increased public focus on sustainability matters, including climate change, greenhouse gases, water resources, etc. We endeavor to conduct our business in a manner that reflects our priority of sustainable stewardship and are working to manage the risks and costs to us, our franchisees and our supply chain. As a result of such heightened public focus on environmental sustainability matters, we may face increased pressure to provide expanded disclosure, make or expand commitments, set targets, and take action to meet such goals. These matters and our efforts to address them could expose us to market, operational, reputational and execution risks or costs.

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 vendors or franchisees, regardless of whether such claims are true. Similarly, entities in our supply chain may engage in conduct, human rights abuses or environmental wrongdoing, which 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 our stakeholders including customers and investors.

Examples of actions that we have undertaken to manage brand reputation regarding sustainability (including climate change) include monitoring reputation, at a frequency greater than annual, and conducting customer research to capture consumer sentiment. We actively engage in research, such as the NextGen Consortium to help advance food-service packaging solutions that are recoverable across global infrastructure. In 2022, Yum! announced holistic global packaging goals to eliminate unnecessary plastics, use fiber from responsibly managed forests and recycled sources, and support better recovery and recycling systems.

**Time horizon**

Long-term

**Likelihood**

Unlikely

**Magnitude of impact**

Medium-low

**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)**

5800000

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

30700000

**Explanation of financial impact figure**

The financial implications of a damaged reputation could negatively impact our market share, stock price and brand equity.
A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include net revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "unlikely" there is a 30%-40% chance of occurrence.

Cost of risk to restaurant
17300000

Description of response and explanation of cost calculation
Our response includes monitoring reputation, at a frequency greater than annual, to assist us in understanding emerging trends.

Understanding trends helps our brands put choice and consumer preferences at the forefront. We conduct customer research to capture consumer sentiment regarding sustainability and consumer-relevant actions to address key issues such as climate change.

Taco Bell, for example, has a robust offering of non-beef-based menu items, including vegetarian, that provides consumers with a variety of food options. They are making vegetarian options easier to access with "Veggie Mode," a single-swipe feature that instantly transforms the menu on self-service kiosks in the U.S. to show only vegetarian items. Our brands also continue to explore sustainable meat substitutes. Taco Bell, our leader in beef volume, is also our leader in beef substitutes with menu items such as Halloumi Crunchwrap in Cyprus and a pulled-oats vegan protein throughout Europe. Plant-based foods aren't limited to just one brand or one region — they're part of a global movement influencing menus at all of our restaurants.

We have resources including our Chief Sustainability Officer, Chief Corporate Affairs Officer as well as our General Counsel actively monitoring and engaging in this area. In 2022 we proactively communicated the Company's position on being good corporate stewards through our Global Citizenship & Sustainability Report and other public disclosures such as CDP. For example, when launching we have held multiple social media chants 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.

A CDP-specific, climate change risk financial impact model was employed to calculate the associated cost in response to this risk. The figures used in the calculation include net revenue ($5,652 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our revenue that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact and cost presented reflects that as a probability of "unlikely" there is a 30%-40% chance of occurrence. This work is completed as part of our TCFD analysis and is updated every two to three years.

Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk, it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, supported by thousands of suppliers. Each is subject to varying reputational risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of reputational changes that may or may not occur in the future.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Risk 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where in the value chain does the risk driver occur?</td>
<td>Upstream</td>
</tr>
<tr>
<td>Risk type &amp; Primary climate-related risk driver</td>
<td>Acute physical Other, please specify (Increased severity and frequency of extreme weather events)</td>
</tr>
<tr>
<td>Primary potential financial impact</td>
<td>Increased indirect (operating) costs</td>
</tr>
<tr>
<td>Climate risk type mapped to traditional financial services industry risk classification</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Company-specific description</td>
<td>As noted in Part 1 Item 1A within our 2022 Form 10-K, an increase in food prices and other operating costs may have an adverse impact on our business. Price volatility could be caused by climate change and weather events. Our properties and operations may be vulnerable to the adverse effects of climate change, which is predicted to result in ongoing changes in global weather patterns and more frequent and severe weather-related events such as droughts, wildfires, hurricanes and other natural disasters. Such adverse weather-related impacts may negatively affect the general economy in countries where we operate, disrupt our operations, cause restaurant closures or delay the opening of new restaurants. Those impacts could be manifested through disruptions in our supply chain, increasing the costs and decreasing the availability of food and other supplies needed for our operations that are contingent on stable weather patterns. The products sold by our brands and their franchisees are sourced from a wide variety of domestic and international suppliers. We, along with our brands' franchisees, are also dependent upon third parties to make frequent deliveries of food products and supplies that meet our specifications at competitive prices. A shortage or interruption in the availability and delivery of certain supplies could increase costs of products critical to restaurant operations, which in turn could lead to restaurant closures and/or a decrease in sales. Our ability to source from a diversified supplier base helps to minimize potential impacts. One example of an extreme weather event that affected our supply chain was the derecho in the Midwest United States in August 2020. Approximately 850,000 acres of corn were lost, resulting in increased corn costs for our brands and their franchisees. Please note that an advantage of our global supply chain is the ability to adapt to localized shortages and/or interruptions, if needed.</td>
</tr>
<tr>
<td>Time horizon</td>
<td>Long-term</td>
</tr>
<tr>
<td>Likelihood</td>
<td>Very likely</td>
</tr>
</tbody>
</table>
CDP fluctuation in aggregate supply and demand, or other external conditions.

cheese, oil, flour and vegetables (including potatoes and lettuce). Raw materials purchased for use in our brands' restaurants are subject to price volatility caused by any contingent on stable precipitation patterns.

be manifested through disruptions in our supply chain, increasing the costs and decreasing the availability of food and other supplies needed for our operations that are affect the general economy in countries where we operate, disrupt our operations, cause restaurant closures or delay the opening of new restaurants. Those impacts could more frequent and severe weather-related events such as droughts, wildfires, hurricanes and other natural disasters. Such adverse weather-related impacts may negatively

Our properties and operations may be vulnerable to the adverse effects of climate change, which is predicted to result in ongoing changes in global weather patterns and changes in physical climate parameters. We continually evaluate the impact climate change has on our business and understand that as a large food retailer, changes in weather extremes have the potential to influence the price, quality and supply of materials in targeted regions. However, we may experience temporary localized shortages. An example of this has been localized shortages of fresh chicken and lettuce as a direct result of flooding in Australia.

In the event of acute events, we quickly activate a crisis management response team to respond and adjust. We also deploy funds through the Yum! Brands Disaster Relief Fund to help employees after a natural disaster. In 2021, the Foundation deployed resources to assist during the Australian flooding, COVID-19, Malaysian floods and the Texas winter storm that totaled over $24 MM.

A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "very likely" there is a 75%-85% chance of occurrence. This work is completed as part of our TCFD analysis and is updated at a frequency of two to three years.

A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "very likely" there is a 75%-85% chance of occurrence.

A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "very likely" there is a 75%-85% chance of occurrence.

Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk, it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, supported by thousands of suppliers. Each is subject to varying acute physical risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of physical risks that may or may not occur in the future.

**Magnitude of impact**
Medium-low

**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)**
1800000

**Potential financial impact figure – maximum (currency)**
4700000

**Explanation of financial impact figure**
A shortage or interruption in the availability of certain food products or supplies could increase costs and limit the availability of products critical to restaurant operations, which in turn could lead to restaurant closures and/or a decrease in sales. This risk can impact the availability and price of our products that are contingent on stable weather patterns. Our ability to source from a diversified supplier base helps to minimize potential impacts.

A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "very likely" there is a 75%-85% chance of occurrence.

**Cost of response to risk**
3500000

**Description of response and explanation of cost calculation**
We continually work 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. We continually evaluate the impact climate change has on our business and understand that as a large food retailer, changes in weather extremes have the potential to influence the price, quality and supply of materials in targeted regions. However, we may experience temporary localized shortages. An example of this has been localized shortages of fresh chicken and lettuce as a direct result of flooding in Australia.

In the event of acute events, we quickly activate a crisis management response team to respond and adjust. We also deploy funds through the Yum! Brands Disaster Relief Fund to help employees after a natural disaster. In 2021, the Foundation deployed resources to assist during the Australian flooding, COVID-19, Malaysian floods and the Texas winter storm that totaled over $24 MM.

A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "very likely" there is a 75%-85% chance of occurrence.

**Comment**
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures. The figures used in the calculation include COGS as a proxy of direct costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "very likely" there is a 75%-85% chance of occurrence.

Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk, it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, supported by thousands of suppliers. Each is subject to varying acute physical risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of physical risks that may or may not occur in the future.

**Identifier**
Risk 4

**Where in the value chain does the risk driver occur?**
Upstream

**Risk type & Primary climate-related risk driver**

<table>
<thead>
<tr>
<th>Chronic physical</th>
<th>Changing precipitation patterns and types (rain, hail, snow/ice)</th>
</tr>
</thead>
</table>

**Primary potential financial impact**
Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**
<Not Applicable>

**Company-specific description**
As noted in Part 1 Item 1A within our 2022 Form 10-K, an increase in food prices and other operating costs may have an adverse impact on our business. Price volatility could be caused by climate change and weather events.

Our properties and operations may be vulnerable to the adverse effects of climate change, which is predicted to result in ongoing changes in global weather patterns and more frequent and severe weather-related events such as droughts, wildfires, hurricanes and other natural disasters. Such adverse weather-related impacts may negatively affect the general economy in countries where we operate, disrupt our operations, cause restaurant closures or delay the opening of new restaurants. Those impacts could be manifested through disruptions in our supply chain, increasing the costs and decreasing the availability of food and other supplies needed for our operations that are contingent on stable precipitation patterns.

Our and our brands’ franchisees’ businesses depend on reliable sources of large quantities of raw materials such as proteins (including poultry, pork, beef and seafood), cheese, oil, flour and vegetables (including potatoes and lettuce). Raw materials purchased for use in our brands’ restaurants are subject to price volatility caused by any fluctuation in aggregate supply and demand, or other external conditions.
Our supply chain group monitors potential adverse cost factors so that alternative supply sources can be obtained if needed. An advantage of our global supply chain is the ability to adapt to better adapt to localized fluctuations.

**Time horizon**
Long-term

**Likelihood**
About as likely as not

**Magnitude of impact**
Medium-low

**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)**
2100000

**Potential financial impact figure – maximum (currency)**
7600000

**Explanation of financial impact figure**
Historical prices of raw materials used in the operations of our brands’ restaurants have fluctuated for a variety of reasons. We cannot provide assurance that our brands’ franchisees will continue to be able to purchase raw materials at reasonable prices, or that the cost of raw materials will remain stable in the future. If we and our brands’ franchisees are unable to manage the cost of raw materials or to increase the prices of products proportionately, our and our franchisees’ profit margins may be adversely impacted.

A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include COGS as a proxy of indirect costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

**Cost of response to risk**
4700000

**Description of response and explanation of cost calculation**
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. We continuously evaluate climate change impacts on our business and understand that as a large food retailer, changes in precipitation extremes have the potential to influence the price, quality, and supply of materials in targeted regions.

A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include COGS as a proxy of indirect costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence. This work is completed as part of our TCFD analysis and is updated at a frequency of two to three years.

**Comment**
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures associated with this risk. The figures used in the calculation include COGS as a proxy of indirect costs ($3,721 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk, it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, supported by thousands of suppliers. Each is subject to varying chronic physical risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of physical risks that may or may not occur in the future.

**Identifier**
Risk 5

**Where in the value chain does the risk driver occur?**
Direct operations

**Risk type & Primary climate-related risk driver**

<table>
<thead>
<tr>
<th>Market</th>
<th>Increased cost of raw materials</th>
</tr>
</thead>
</table>

**Primary potential financial impact**
Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**
<Not Applicable>

**Company-specific description**
As noted in Part 1 Item 1A within our 2022 Form 10-K, an increase in food prices and other operating costs may have an adverse impact on our business. Price volatility could be caused by climate change, weather, and other factors.

Restaurants are a relatively energy-intensive business based on the size of our operations. Costs to procure energy vary significantly in different countries across the globe. Disruptions in supply and general cost increases can lead to financial burdens on restaurants. Examples of markets for our restaurants that tend to be subject to high prices or supply disruptions are India, South Africa and numerous countries in our Latin America and Caribbean market. Although these impacts are acute at one scale they tend
to be widespread and persistent. In 2022, our European markets, especially the UK experienced ongoing energy cost escalation due to the ongoing conflict in Ukraine.

**Time horizon**
Long-term

**Likelihood**
About as likely as not

**Magnitude of impact**
Medium-low

**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)**
400000

**Potential financial impact figure – maximum (currency)**
2100000

**Explanation of financial impact figure**
An increase in operational costs from a variety of factors (including energy) could adversely affect our operating results. Given the franchise nature of our business, increased costs would more directly impact franchisees and therefore remains a risk for our organization. Increased energy costs for the supply chain could also adversely affect operation results. For example, a significant increase in gasoline prices could result in the imposition of fuel surcharges by our distributors.

A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

**Cost of response to risk**
1200000

**Description of response and explanation of cost calculation**
We continue to monitor energy policy closely and its impact on our business, while continuing to manage sustainability impacts that are most material to our supply chain. One example is that our purchasing co-op in the U.S. actively manages electricity contracts in deregulated markets to secure competitively priced sources of power.

Contributing cost factors can be increased energy prices resulting from transition risks as government adjusts to addressing climate change. We have adopted science-based targets and will be increasing the use of renewables. In 2022, we completed an important program to have 1,000 company restaurants and all corporate offices in the United States use renewable energy through Green-e certified renewable energy certificates.

A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence. This work is completed as part of our TCFD analysis and is updated at a frequency of two to three years.

**Comment**
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures associated with this risk. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk, it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, supported by thousands of suppliers. Each is subject to varying market risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of market risks that may or may not occur in the future.

**Contributing cost factors**
- Increased energy prices resulting from transition risks as government adjusts to addressing climate change.
- Adoption of science-based targets to increase the use of renewables.
- Completion of a program to have 1,000 company restaurants and all corporate offices use renewable energy through Green-e certified certificates.

**Explanation of financial impact figure**
- The financial impact is estimated using a CDP-specific, climate change risk financial impact model.
- The model considers G&A expenses as a proxy of indirect costs, modified by several assumptions including the likelihood of occurrence, the percentage of operating expenses impacted, and the level of control over mitigation.

**Time horizon**
Long-term

**Likelihood**
About as likely as not

**Magnitude of impact**
Medium-low

**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)**
400000

**Potential financial impact figure – maximum (currency)**
2100000

**Explanation of financial impact figure**
An increase in operational costs from a variety of factors (including energy) could adversely affect our operating results. Given the franchise nature of our business, increased costs would more directly impact franchisees and therefore remains a risk for our organization. Increased energy costs for the supply chain could also adversely affect operation results. For example, a significant increase in gasoline prices could result in the imposition of fuel surcharges by our distributors.

A CDP-specific, climate change risk financial impact model was employed to calculate the potential financial impact. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impact presented as a range reflects that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

**Cost of response to risk**
1200000

**Description of response and explanation of cost calculation**
We continue to monitor energy policy closely and its impact on our business, while continuing to manage sustainability impacts that are most material to our supply chain. One example is that our purchasing co-op in the U.S. actively manages electricity contracts in deregulated markets to secure competitively priced sources of power.

Contributing cost factors can be increased energy prices resulting from transition risks as government adjusts to addressing climate change. We have adopted science-based targets and will be increasing the use of renewables. In 2022, we completed an important program to have 1,000 company restaurants and all corporate offices in the United States use renewable energy through Green-e certified renewable energy certificates.

A CDP-specific, climate change risk financial impact model was employed to calculate this figure. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence. This work is completed as part of our TCFD analysis and is updated at a frequency of two to three years.

**Comment**
A CDP-specific, climate change risk financial impact model was employed to calculate the financial figures associated with this risk. The figures used in the calculation include G&A expenses as a proxy of indirect costs ($312 MM in 2020), modified by several assumptions including the likelihood that it will happen over the given time horizon, the percentage of our operating expenses that may be impacted over that time horizon, and the level of control we have over mitigating the risk. The estimated financial impacts reflect that as a probability of "about as likely as not" there is a 50%-60% chance of occurrence.

Please note that reported financial figures have been estimated to the best of our ability, intended to be directional in nature and to represent a hypothetical possible event. Due to the diverse and broad nature associated with this risk, it is not possible to quantify an exact figure. Yum! Brands and its franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, supported by thousands of suppliers. Each is subject to varying market risks that could impact our market share, stock price and brand equity. As such, we cannot predict the exact impact of market risks that may or may not occur in the future.

**Contributing cost factors**
- Increased energy prices resulting from transition risks as government adjusts to addressing climate change.
- Adoption of science-based targets to increase the use of renewables.
- Completion of a program to have 1,000 company restaurants and all corporate offices use renewable energy through Green-e certified certificates.

**Explanation of financial impact figure**
- The financial impact is estimated using a CDP-specific, climate change risk financial impact model.
- The model considers G&A expenses as a proxy of indirect costs, modified by several assumptions including the likelihood of occurrence, the percentage of operating expenses impacted, and the level of control over mitigation.
C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Renewable energy projects, enabled by renewable energy regulations, may create opportunities that result in lower electricity costs over time for restaurants and increased goodwill. In 2022, we worked with our consumer insights group and received input from consumers that they wanted to see the deployment of actual measures, such as onsite photovoltaics.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-low

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

Potential financial impact figure (currency)
71607

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

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

Explanation of financial impact figure
The exact financial implications vary according to market and the scope of the onsite renewable energy generation capacity.

The financial estimate provided is based on the average savings from company buildings in Australia that were built in 2022 and may or may not be indicative of future results. It does not include other possible benefits resulting from goodwill. Increased resilience could also lead to more onsite renewables being deployed in some markets in upcoming years.

Cost to realize opportunity
1100000

Strategy to realize opportunity and explanation of cost calculation
The ability to source energy from renewable sources may result in a positive financial return for Yum and its franchisees. However, there are inherent limitations to our application of onsite solar due to the small size of our buildings. Company-owned locations are currently using on-site solar energy at KFC Australia and it is now installed at 43 corporate locations.

We completed an important program to have 1,000 company restaurants and all corporate offices in the United States use renewable energy through Green-e certified renewable energy certificates. In total, we secured certificates to cover 212,820 MWh of electricity.

The costs to realize the opportunity has been approximately $1.1MM to date. These include about $358,000 associated with onsite generation implementation (maintenance costs not included). The financial estimates provided are based on cost and savings averages from buildings in Australia and may or may not be indicative of future results and costs in other markets. The remaining $683,000 are costs associated with the procurement of renewable energy certificates in the United States.

Comment
Increasing the use of renewable energy can help reduce our emissions. We continued to achieve our target of using 100% renewable energy in our U.S. corporate offices since 2020. We also completed our project to source clean energy through Green-e certified renewable energy certificates. In total, we secured certificates to cover 212,820 MWh of electricity in 2022.

Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Move to more efficient buildings

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
As a growth company opening 4,560 restaurants in 2022, we understand the built environment has a climate change impact. Our fundamental approach to designing and building more efficient new buildings is contained in our global green building standard called Blueline and associated brand standards. Our equity development teams and franchisees use this information as a framework for our system to build restaurants with reduced environmental impact.

**Time horizon**
Short-term

**Likelihood**
Virtually certain

**Magnitude of impact**
Medium-low

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

**Potential financial impact figure (currency)**
24700000

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

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

**Explanation of financial impact figure**
In 2022, it is estimated that we and our franchise partners implemented technologies in new buildings that are expected to save an estimated $24.7MM over the first year of their use. To calculate this number, we surveyed global business units to provide an accounting of individual implemented measures (i.e., fryers, lighting, hoods, walk-in refrigeration, etc.). We used estimated, expected energy reductions (kWh) derived from the implementation of the applied technology to calculate savings. Technologies included VFD hoods, high-efficiency HVAC, building management systems, and lighting. The saving total is an approximation calculated using our model based on market reports received through our annual conservation survey sent to our business units, franchisees, and suppliers.

New building financial savings are dependent on current market design, green approaches selected and local utility costs. For a full implementation of approaches, it is expected, based on detailed study and test projects that between 10% and 30% utility savings will be realized per restaurant.

**Cost to realize opportunity**
11400000

**Strategy to realize opportunity and explanation of cost calculation**
Implementation is conducted by local development teams in conjunction with corporate brand oversight. Brand development partners and franchisees incorporate approaches and technologies into their design and construction guidelines and specifications. They conduct periodic market reviews to access compliance and provide feedback. The foundation of implemented solutions for new restaurants is third-party systems such as LEED as well as detailed in-restaurant testing and sub-metering conducted throughout the world. The cost to realize this opportunity has been calculated based on implementation costs for each technology type as reported in our annual conservation survey of business units, franchisees, and suppliers.

Markets select from and implement a variety of proven measures that avoid electricity and gas consumption. One example is the use of VFD hoods in 2022, which is estimated to save 177 MWh of electricity annually in countries including France, the UK, China, Australia, Malaysia, and India. A second example would be the installation of Energy Management Systems in the UK that has a potential annual saving of 7.9 MWh. A third example is the installation of walk-in cooler upgrades in France and Australia that will save an estimated 8.7 MWh annually. The total savings presented represent the accumulation of tens of thousands of individual conservation measures applied in our new construction.

In 2022, it is estimated that we and our franchise partners invested a total of approximately $11.4 MM in new energy conservation technologies throughout our global system. The costs associated with the implementation of these methods represent initial capital costs of the equipment. The cost to realize this opportunity has been estimated based on researched implementation costs for the total number of projects reported in our annual conservation survey of business units, franchisees, and suppliers.

Our strategy is to continue to deploy emissions and energy reduction technologies. Year-over-year, new restaurants replace old restaurants given our robust pace of new building construction helping to drive down overall emissions.

**Comment**

**Identifier**
Opp3

**Where in the value chain does the opportunity occur?**
Direct operations

**Opportunity type**
Resource efficiency

**Primary climate-related opportunity driver**
Move to more efficient buildings

**Primary potential financial impact**
Reduced indirect (operating) costs

**Company-specific description**
As a company with over 55,000 restaurants, we understand the built environment has a climate change impact. Deploying energy-efficient approaches in our existing restaurants enables Yum! Brands and its franchisees to take advantage of energy savings through GHG emissions reduction opportunities.

We and our franchisees have invested in these technologies and continue to look for additional opportunities. Examples of our approaches include more efficient hoods, high-efficiency HVAC and site lighting.

**Time horizon**
Short-term

**Likelihood**
Virtually certain

**Magnitude of impact**
Medium-low

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

**Potential financial impact figure (currency)**
10200000

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

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

**Explanation of financial impact figure**
Since 2006, Yum! Brands has been actively implementing energy conservation projects in existing buildings. In 2022, it is estimated that we and our franchise partners implemented technologies in buildings that are expected to save an estimated $10.2 MM over the first year of their use. To calculate this number, we surveyed global business units to provide an accounting of individual implemented measures (i.e., fryers, lighting, hoods, walk-in refrigeration, etc.). We used estimated, expected energy reductions (kWh) derived from the implementation of the applied technology to calculate savings. Technologies included VFD hoods, high-efficiency HVAC, building management systems, and lighting. The saving total is an approximation calculated using our model based on market reports received through our annual conservation survey sent to our business units, franchisees, and suppliers.

**Cost to realize opportunity**
11300000

**Strategy to realize opportunity and explanation of cost calculation**
Yum! Brands deployed sub-metering to identify the largest areas of opportunity in our restaurants. Once the areas of opportunity are identified, energy conservation measures are thoroughly researched and tested. Following validation of these measures, franchisee and equity business units can apply them to existing restaurants throughout the system where feasible.

In 2022, it is estimated that we and our franchise partners invested a total of approximately $11.3 MM in new energy conservation technologies throughout our global system. The cost to realize this opportunity has been calculated based on implementation costs for each technology type as reported in our annual conservation survey of business units, franchisees, and suppliers.

The costs associated with the implementation of these methods represent initial capital costs for the equipment. It does not include other possible costs, such as temporary disruptions to operations which could occur during deployment. The cost to realize this opportunity has been estimated based on researched implementation costs for the total number of implementations reported in our annual conservation survey of business units, franchisees, and suppliers.

Markets select from and implement a variety of proven measures that avoid electricity and gas consumption. Examples include the use of high-efficiency (including Energy Star) kitchen equipment, retrofitted menu boards, site lighting and high-efficiency HVAC equipment. The total savings presented represent the accumulation of tens of thousands of individual conservation measures.

Our strategy is to continue to deploy emission and energy reduction technologies. Year-over-year, new restaurants replace old restaurants given our robust pace of new building construction helping to drive down overall emissions.

**Comment**

---

**C3. Business Strategy**

---

**C3.1**
(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan
Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan
Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan
We have a different feedback mechanism in place

Description of feedback mechanism
Setting our 1.5°C-aligned climate targets involved engagement and feedback from our stakeholders. In November 2018, Yum! Brands received a shareholder proposal with a request for Yum! Brands to issue a report on climate change mitigation strategies of feasibly adopting quantitative, company-wide climate goals to reduce greenhouse gas emissions. As a result of direct engagement with the shareholder and other associated groups, we now have SBTi-approved science-based targets.

Our climate transition plan, published in 2022, is available in our Global Citizenship & Sustainability Report. It covers all three components of our science-based targets. Using 2019 as our baseline year, we are committed to achieving the following by 2030 and have a long-term aspirational goal to be net zero by 2050:

• Reduce absolute scope 1 and 2 greenhouse gas emissions by 46%;
• Reduce scope 3 greenhouse emissions from franchisees by 46% per restaurant; and
• Reduce scope 3 greenhouse emissions from purchased goods and services by 46% per metric ton of procured beef, poultry, dairy, and packaging by 2030.

We publish progress updates on these goals in our annual Global Citizenship & Sustainability Report and within CDP climate change disclosure. Each year we also provide shareholders with opportunities to share their feedback through investor calls with climate action as a topic of discussion. Feedback on our progress helps keep us directed on making progress and to make updates to the transition plan.

The Company has an integrated, Board and executive level governance structure to oversee its global sustainability initiatives. Governance and oversight of climate and ESG issues ultimately resides with the Yum! Brands Board of Directors. The CEO has oversight of annual budgets of climate mitigation strategies that are managed as part of the duties of the Chief Sustainability Officer.

Frequency of feedback collection
Annually

Attach any relevant documents which detail your climate transition plan (optional)
Yum! Brands 2022 Global Citizenship and Sustainability Report.pdf

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

<table>
<thead>
<tr>
<th>Use of climate-related scenario analysis to inform strategy</th>
<th>Primary reason why your organization does not use climate-related scenario analysis to inform its strategy</th>
<th>Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, qualitative and quantitative</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C3.2a
(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

<table>
<thead>
<tr>
<th>Climate-related scenario analysis coverage</th>
<th>Temperature alignment of scenario</th>
<th>Parameters, assumptions, analytical choices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transition scenarios SBD</td>
<td>Company-wide</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Transition scenarios SBD</td>
<td>Company-wide</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Physical climate scenarios RCP 2.6</td>
<td>Company-wide</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Physical climate scenarios RCP 4.5</td>
<td>Company-wide</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Physical climate scenarios RCP 6.0</td>
<td>Business division</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

C3.2b
Focal questions
Yum! is committed to addressing the climate crisis by supporting a transition to a sustainable, low-carbon economy. Our focal questions in our scenario analysis aim to address the following:

• What are the types of climate-related physical and transition risks material to our business?
• Where are the hotspots in our operations and supply chain that are vulnerable to climate change impacts?

Yum!’s first-ever TCFD assessment analyzed our climate risks and opportunities globally. Yum! evaluated and modeled the business implications of climate-related risks and opportunities with consideration of short, medium, and long term applicability to our business. Such implications include, but are not limited to, the following:

Acute Physical Risks - For restaurants, such events could result in direct damage to our physical restaurants, equipment, and other assets and/or temporary closure. Restaurants located in highly vulnerable areas could have higher insurance premiums. For supply chain, such events could result in a shortage or interruption in the availability of certain food products or supplies.

Chronic Physical Risks - For restaurants, such risk scenarios could result in disruptions to individual restaurants due to intermittent, seasonal, and/or prolonged disruptions of energy and water services. For supply chain, our businesses depend on reliable sources of large quantities of raw materials such as proteins (including poultry, pork, and beef), cheese, oil, flour and vegetables (including potatoes and lettuce). Raw materials purchased for use in our restaurants are subject to price volatility caused by any fluctuation in aggregate supply and demand, or other external conditions.

Regulatory Transition Risks - Our restaurants and supply chain are subject to numerous existing and emerging climate-related laws and regulations around the world. Yum! and franchise partners operate over 55,000 restaurants in more than 155 countries worldwide, each requiring compliance with varying levels of governmental regulations.

Market Transition Risks - Our restaurants must maintain and enhance the value of our brands and our customers’ loyalty to our brands. Brand value is based in part on consumer perceptions of a variety of subjective qualities and can be impacted by the perception of insufficient climate-related strategies, business continuity, and climate resiliency.

Results of the climate-related scenario analysis with respect to the focal questions
Yum! has reviewed different scenarios and has identified that a combination of physical and transition risks will vary by geography versus being globally harmonized. The assessment results provide a foundation for Yum!’s commitment to a dual strategy of decarbonization and climate resiliency as both are critical to a sustainable business. Overall, the Yum! business model has strong elements of risk mitigation built in given our vast geographical footprint. We have identified risk categories and levels of exposure for restaurants and supply chain as follows:

Restaurant Climate Risk Category and Exposure:
Acute Physical Risk – single extreme weather event (e.g. flooding, hurricane, tornado): 7.5% of global restaurants at risk
Chronic Physical Risk – prolonged impacts from slow-onset climate shifts (e.g. water stress, persistent drought): 3.1% of global restaurants at risk
Transition & Market Risk – climate-related regulations (e.g. carbon pricing) and/or stakeholder perceptions: 15.8% of global restaurants at risk.

Supply Chain Climate Risk Category and Exposure:
Acute Physical Risk – single extreme weather event (e.g. flooding, hurricane, tornado): 8.8% of global suppliers at risk
Chronic Physical Risk – prolonged impacts from slow-onset climate shifts (e.g. water stress, persistent drought): 12.6% of global suppliers at risk
Transition & Market Risk – climate-related regulations (e.g. carbon pricing) and/or stakeholder perceptions: 39.2% of global suppliers at risk.

The results of the scenario analysis informed specific actions in 2022. These include studying the applicability of likely transition and market risks on our business and possible impacts driven by implemented and pending climate change regulations in the European Union and UK (continuing in 2023) as well as further looking at steps to reduce our emissions in response to possible acute and chronic risks. Our European business unit invested in additional resources focused on sustainability in the European supply chain with the goal of contributing to driving progress on our approved science-based targets and increasing resilience against climate change impacts.
### Have climate-related risks and opportunities influenced your strategy in this area?

<table>
<thead>
<tr>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Products and services</strong> Yes</td>
</tr>
<tr>
<td><strong>Supply chain and/or value chain</strong> Yes</td>
</tr>
<tr>
<td><strong>Investment in R&amp;D</strong> Yes</td>
</tr>
<tr>
<td><strong>Operations</strong> Yes</td>
</tr>
</tbody>
</table>

#### Description of influence:

- **Products and services**
  - Our brands put choice and consumer preferences at the forefront of their work. Taco Bell has a robust offering of non-beef-based menu items, including vegetarian, that provides consumer options. They are making vegetarian options easier to access with "Veggie Mode," a single-swipe feature that instantly transforms the menu on self-service kiosks in the U.S. to show only vegetarian items. In 2022, Taco Bell, our leader in beef volume, is also our leader in beef substitutes with menu items such as the "Beyond Cama Asada Steak." In the United States, Pizza Hut was the first national pizza company to offer plant-based meat across the nation. In 2022, Pizza Hut added vegan sausage as an option across the country. One of the benefits is using non-beef products is reduced greenhouse gas emissions. The timeframe for further development is dependent on consumer preferences and varies in markets around the world.

- **Supply chain and/or value chain**
  - Climate-related risks and opportunities in the supply chain have led us to focus on efforts to eliminate deforestation. We have set goals, such as purchasing 100% of our paper-based packaging with fiber from responsibly-managed forests and recycled sources. We also met our goal of supporting the production of sustainable palm oil for cooking through RSPO. To show our support, 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 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.

  - We continually evaluate the impact climate change has on our supply chain. Increases in food and packaging pricing resulting from climate change directly or indirectly affect the supply chain through commodity prices that impacts our brands' franchisees' profit margins. These can include impacts from events such as drought or impacts through infectious diseases. 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.

- **Investment in R&D**
  - Recognizing the opportunity for energy conserving, GHG reducing technologies and approaches resulted in increased R&D. During the preparation of our green building standard, BlueLine, our brands and selected franchisees invested in building R&D. This included extensive sub-metering of utilities and green and non-green buildings to gather and study the most effective approach. Together we built a series of 35 LEED certified buildings to test our approaches. The result of this work was the creation of our green building approach, BlueLine, and the inclusion of sustainability measures into thousands of our restaurants. Now, in 2022, KFC and Pizza Hut are requiring key energy conservation measures in all of their new restaurants.

  - We have also continued to research renewable energy as a mechanism to further reduce greenhouse gas emissions and have completed a global study to evaluate further renewable energy options for Yum! Brands in partnership with franchises and a third-party consultancy. This study, completed in 2022, focused on specific geographic regions and approaches and as a result, is now assisting us in the development of implementation approaches in prioritized markets. The project was conducted with the goal of contributing emissions reductions in support of our 2030 science-based targets.

  - In addition, an important program to have 1,000 company restaurants and all corporate offices in the United States use renewable energy through Green-e certified renewable energy certificates was completed in 2022. In total, we secured certificates to cover 212,820 MWh of electricity.

  - In partnership with industry peers, we have joined the NextGen Consortium to help advance food-service packaging solutions that are recoverable thereby contributing to greenhouse gas mitigation efforts. We have set climate-based targets for the corporation. Achieving these goals, which focus both on our buildings and supply chain, will require additional investment in R&D over the time frame of our commitment (2030).

- **Operations**
  - GHG and energy reducing technologies and approaches identified as opportunities are being implemented in thousands of our restaurants. These include more efficient hoods, refrigeration equipment, HVAC and lighting. Higher efficiency equipment increases our resiliency to adapt to specific events including challenges with local utility supplies. Our efforts to realize this opportunity are an ongoing focus on our development teams and efforts are measured on an annual basis, including GHG avoidance, energy savings and investment.
(C.3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

<table>
<thead>
<tr>
<th>Financial planning elements that have been influenced</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues, Indirect costs, Capital expenditures, Capital allocation</td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td></td>
</tr>
</tbody>
</table>

This reflects past statements that operations and supply chains can be disrupted as a result of human and animal illnesses. Outbreaks of avian flu occur sporadically around the world, including confirmed human cases. Public concern over avian flu may cause fear about the consumption of chicken, eggs and other products derived from poultry, which could cause customers to consume less of our products. Outbreaks could also adversely affect the price and availability of poultry, which could negatively impact our profit margins and revenues. We could also be adversely affected if governments impose mandatory closures, seek voluntary closures or impose restrictions on the operations of restaurants. Due to the diverse and broad nature associated with this risk, it is not possible to estimate the potential financial impact.

Operating Costs: Energy conservation, GHG reduction technologies and approaches identified as opportunities are being implemented in thousands of our restaurants. These include more efficient hoods, refrigeration equipment, HVAC and lighting. Higher efficiency equipment increases our resiliency to adapt to specific events including challenges with local utility supplies. In 2022, we estimate that we and our franchise partners implemented green building technologies and approaches that saved approximately $34.9 MM.

The risk of energy-related operating cost changes is factored into our standard planning process as energy is a component of the restaurant profit and loss statement. Restaurants are a relatively energy-intensive business based on the size of our operations. Cost to procure energy varies significantly in different countries across the globe. Disruptions in supply and general cost increases can lead to financial burdens on restaurants. Examples of markets for our restaurants that tend to be subject to high prices or supply disruptions are India, South Africa and numerous counties in our Latin America and Caribbean market. Although these impacts are acute at one scale they tend to be widespread and persistent.

We have also identified risks or shortages or interruptions in the availability and delivery of food and other supplies as well as increased food prices. 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. During the COVID-19 pandemic, our system was able to provide products in restaurants despite supply chain challenges. This minimizes the impacts on any one part of a country or distribution system due to changes in physical climate parameters. We continually evaluate the impact climate change has on our business and understand that as a large food retailer, changes in precipitation, temperature, and other climate parameters can impact our supply chain.

Capital expenditures/capital allocation: Taking advantage of more efficient new buildings and incorporating energy savings approaches into existing buildings is factored into capital expenditures during the annual planning process. The costs associated with the implementation of these methods are primarily the initial capital costs. These are planned for on an annual basis. In 2022, approximately $22.7 MM dollars were invested in new green building development as well as existing building renovations in our system throughout the world by the company and franchisees. This number is an approximation based on market reports. In terms of financial planning elements, we continued to invest in robust data collection systems and processes in 2022 to track progress and enable transparent reporting. We are continuing to study options to further enhance data collection in the future. In 2022 we invested in renewable energy in the form of onsite solar in Australia as well as renewable energy certificates in the United States. We have begun planning for additional investments in the renewable energy space. In 2022 we also started an investment with Dairy Farmers of America (DFA) to help farmers measure and take action on greenhouse gas reducing approaches.

Assets: Energy conservation, GHG reduction technologies and approaches identified as opportunities are being implemented in thousands of our restaurants. These include more efficient hoods, refrigeration equipment, HVAC and lighting. Higher efficiency equipment increases our resiliency to adapt to specific events including challenges with local utility supplies.

(C.3.5) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

<table>
<thead>
<tr>
<th>Identification of spending/revenue that is aligned with your organization’s climate transition</th>
<th>Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, we identify alignment with our climate transition plan</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C3.5a
(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization’s climate transition.

**Financial Metric**
OPEX

**Type of alignment being reported for this financial metric**
Alignment with our climate transition plan

**Taxonomy under which information is being reported**
<Not Applicable>

**Objective under which alignment is being reported**
<Not Applicable>

**Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)**
2600000

**Percentage share of selected financial metric aligned in the reporting year (%)**
0.05

**Percentage share of selected financial metric planned to align in 2025 (%)**
0.09

**Percentage share of selected financial metric planned to align in 2030 (%)**
0.3

**Describe the methodology used to identify spending/revenue that is aligned**
Values for 2022 are an estimation based on expenditures including renewable energy, pilot programs to address greenhouse gas emissions within our supply chain, changes in purchases resulting from our activities, and other relevant management expenses. The figures are directional only. We will continue to refine our tracking in the future.

Our expectation is that OPEX for renewable energy will increase by 2030 to help achieve our science-based targets, however, the percentages are directional.

---

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

- Absolute target
- Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

**Target reference number**
Abs 1

**Is this a science-based target?**
Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**
1.5°C aligned

**Year target was set**
2021

**Target coverage**
Company-wide

**Scope(s)**
- Scope 1
- Scope 2

**Scope 2 accounting method**
Market-based

**Scope 3 category(ies)**
<Not Applicable>

**Base year**
2019

**Base year Scope 1 emissions covered by target (metric tons CO2e)**
35429.62

**Base year Scope 2 emissions covered by target (metric tons CO2e)**
153093.82

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**
<Not Applicable>
Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
188523.44

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:
Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)  
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)  
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)  
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes  
100

Target year  
2030

Targeted reduction from base year (%)  
46

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]  
101802.6576

Scope 1 emissions in reporting year covered by target (metric tons CO2e)  
42919.18

Scope 2 emissions in reporting year covered by target (metric tons CO2e)  
37856.11

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>
Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)  
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)  
80775.29

Does this target cover any land-related emissions?  
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]  
124.247206976306

Target status in reporting year  
Achieved

Please explain target coverage and identify any exclusions  
Working to reduce greenhouse gas emissions is part of our citizenship and sustainability strategy called the Recipe for Good Growth. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We now have set approved science-based targets. The reported target in this row covers 100% of our base-year scope 1 and 2 emissions within the scope of our 46% emissions reduction science-based target. The emissions in the reporting year (2022) include our acquisition, Habit Burger Grill. The other changes that are included are our divestitures of Russian operations and Pizza Hut UK equity restaurants. Those emissions are not included in our 2022 results. We have updated our 2019 baseline to reflect this change.

Plan for achieving target, and progress made to the end of the reporting year  
<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target  
Achieving this target in 2022 relied on incorporating energy conservation measures into buildings and procuring renewable energy certificates.

Reducing Scope 1 and 2 emissions in restaurants and office buildings is focused on a two-pronged strategy: energy conservation measures and renewable energy. The fundamentals of incorporating restaurant smart energy conservation measures into buildings to help reduce emissions are contained in our global green building roadmap called Blueline and associated brand standards. Having energy reducing measures built into brand standards means that tried and true carbon reducing technologies and approaches are built into the development of buildings from the start. Although reducing energy usage is the starting point and has provided progress, incorporating renewable energy sources is also part of our strategy to achieve our target. We moved our U.S. offices to renewable electricity through RECs in 2020, and in 2022, our first 1,000 restaurants also used green electricity through RECs. As a result of this project, we met our absolute greenhouse gas reduction target in the reporting year (2022).

In 2022, we completed a global study to evaluate renewable energy options for Yum! Brands as well as our franchisees. This study, conducted with the assistance of external experts, involved key internal stakeholders as well as a group of franchisees serving as advisors. Together the team evaluated diverse geographic regions for the feasibility of different approaches to sourcing renewable energy. This project supports anticipated positive long-term solutions that provide alternative renewable energy mechanisms, which encourage the development of additional renewable energy sources in support of our science-based target.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number  
Int 1

Is this a science-based target?  
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition  
1.5°C aligned

Year target was set  
2021

Target coverage  
Company-wide

Scope(s)  
Scope 3

Scope 2 accounting method  
<Not Applicable>

Scope 3 category(ies)  
Category 14: Franchises
Intensity metric
Other, please specify (Metric tons of CO2e per restaurant)

Base year
2019

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
178.06

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)
178.06

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
178.06

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure
% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure
100
% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure
<Not Applicable>
% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure
<Not Applicable>
% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure
24.97
% of total base year emissions in all selected Scopes covered by this intensity figure
100

Target year
2030

Targeted reduction from base year (%)
46

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]
96.1524

% change anticipated in absolute Scope 1+2 emissions
0

% change anticipated in absolute Scope 3 emissions
11.49

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>
Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
127.4

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)
127.4

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
127.4

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
61.8501824006563

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
Working to reduce greenhouse gas emissions is part of our citizenship and sustainability strategy called the Recipe for Good Growth. We have set approved science-based
targets that cover our franchise restaurant operations (Scope 3 emissions for Yum! Brands) as this has been a significant source of emissions. Our goal is to reduce carbon
intensity per restaurant in franchisees by 46% by 2030 compared to a 2019 baseline.

The emissions in the reporting year include our acquisition, Habit Burger Grill. The other changes that are included are our divestitures of Russian operations and Pizza Hut
UK equity restaurants. Those emissions are not included in our 2022 results. We have updated our 2019 baseline to reflect this change.

Plan for achieving target, and progress made to the end of the reporting year
Reducing franchisee Scope 1 and 2 emissions (Scope 3 emissions for Yum! Brands) in restaurants is focused on a two-pronged strategy: energy conservation measures
and renewable energy. The fundamentals of incorporating restaurant smart energy conservation measures into buildings to help reduce emissions are contained in our
global green building roadmap called Blueline and associated brand standards. Having energy reducing measures built into brand standards means that tried and true
carbon reducing technologies and approaches are built into the development of buildings from the start. Although reducing energy usage is the starting point and has
provided progress, incorporating renewable energy sources is also part of our strategy to achieve our target.

In the past year, many of our franchisees continued to develop approaches to procuring renewable energy around the world, including KFC franchisees in Indonesia,
Australia, the Philippines, and the United States. In 2022, we completed a global study to evaluate renewable energy options for Yum! Brands as well as our franchisees.
This study, conducted with the assistance of external experts, involved key internal stakeholders as well as a group of franchisees serving as advisors. Together the team
evaluated diverse geographic regions for the feasibility of different approaches to sourcing renewable energy. This project supports anticipated positive long-term solutions
that provide alternative renewable energy mechanisms, which encourage the development of additional renewable energy sources in support of our science-based target.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Int 2

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>
**Scope 3 category(ies)**
Category 1: Purchased goods and services

**Intensity metric**
Other, please specify (The average metric tons of CO2e per metric ton of chicken, beef, dairy, plastic packaging, and fiber packaging procured.)

**Base year**
2019

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)
6.15

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)
6.15

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
6.15

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure
72.22

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure
<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure
<Not Applicable>
<table>
<thead>
<tr>
<th>Category</th>
<th>Intensity figure (metric tons CO2e per unit of activity)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 3, Category 1: Purchased goods and services</td>
<td>6.4</td>
</tr>
<tr>
<td>Scope 3, Category 2: Capital goods</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 3: Fuel-and-energy-related activities</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 4: Upstream transportation and distribution</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 5: Waste generated in operations</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 6: Business travel</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 7: Employee commuting</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 8: Upstream leased assets</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 9: Downstream transportation and distribution</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 10: Processing of sold products</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 11: Use of sold products</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 12: End-of-life treatment of sold products</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 13: Downstream leased assets</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 14: Franchises</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Category 15: Investments</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Other (upstream)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3, Other (downstream)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Scope 3 (in all Scope 3 categories)</td>
<td>49.36</td>
</tr>
</tbody>
</table>

Target year: 2030

Targeted reduction from base year (%): 46

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity): <Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity): <Not Applicable>
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)
6.4

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)
6.4

Does this target cover any land-related emissions?
Yes, it covers land-related and non-land related emissions (e.g. SBT approved before the release of FLAG target-setting guidance)

% of target achieved relative to base year [auto-calculated]
-8.93704489218805

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions

Working to reduce greenhouse gas emissions is part of our citizenship and sustainability strategy called the Recipe for Good Growth. We have achieved multiple energy and emissions reduction targets over the last decade. We now have set approved science-based targets that cover our beef, dairy, poultry, and packaging emissions. These include the most significant purchased goods and services emissions. Our goal is to reduce these emissions by 40% by 2030 compared to a 2019 baseline.

The emissions in the reporting year include our acquisition, Habit Burger Grill. The other changes that are included are our divestitures of Russian operations and Pizza Hut UK equity restaurants. Those emissions are not included in our 2022 results. We have updated our 2019 baseline to reflect this change.

Plan for achieving target, and progress made to the end of the reporting year

Our plan to address supply chain emissions is focused on building suppliers' capacity for emissions reduction as well as participating in test pilots to help industries develop supply chain programs. Since 2021, we have participated in the Supplier Leadership on Climate Transition (Supplier LoCT), a consortium that helps suppliers calculate emissions, set their own SBTs, and share carbon management resources. We are planning to roll out Supplier LoCT more broadly in the future.

Our brands take action on the key commodities that are our largest emissions contributors. In 2022, Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farms to participate in annual farm-level carbon footprinting, giving them the ability to apply for funds to implement emissions reduction projects. By 2025, the end of the three-year program, Pizza Hut aims to source 50% of the dairy used in its pizza cheese from farms enrolled in the Farmers Assuring Responsible Management and Environmental Stewardship (FARM ES) program. For beef, in collaboration with Cargill, a long time supplier for Taco Bell, and the National Fish and Wildlife Foundation, we will establish a $2 million sustainable farming fund to sponsor environmental conservation and emissions reduction projects with the application period starting in 2023 and an implementation start date in 2024.

Our brands have continued exploring an expansion of plant-based proteins on our menus. In 2022, Taco Bell's vegetarian options represented over 12% of sales, and we made a veggie burrito option a permanent addition to the menu. Pizza Hut’s plant-based pepperoni and KFC’s chicken substitutes are served to consumers globally. As plant-based products are more widely purchased, livestock raising activities and associated emissions can be reduced. We are working to account for this evolution in our GHG accounting methodology.

Raising animals can have an effect on climate change and deforestation, and we collaborate with suppliers to understand the environmental footprints of the livestock we procure and embedded commodities. Yum! worked with FAI Farms in 2021-2022 to map soy sourcing, a primary ingredient in our chicken feed, from areas of high deforestation risk. In early 2022, we expanded our data collection in our annual sustainability survey to account for global soy usage in our supply chain.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>
**C4.2a**

(4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Low 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year target was set</td>
<td>2019</td>
</tr>
<tr>
<td>Target coverage</td>
<td>Site/facility</td>
</tr>
<tr>
<td>Target type: energy carrier</td>
<td>Electricity</td>
</tr>
<tr>
<td>Target type: activity</td>
<td>Consumption</td>
</tr>
<tr>
<td>Target type: energy source</td>
<td>Renewable energy source(s) only</td>
</tr>
</tbody>
</table>

**Base year**

- **Consumption or production of selected energy carrier in base year (MWh)**: 0
- **% share of low-carbon or renewable energy in base year**: 0

**Target year**

- **% share of low-carbon or renewable energy in target year**: 100
- **% share of low-carbon or renewable energy in reporting year**: 100
- **% of target achieved relative to base year [auto-calculated]**: 100

**Target status in reporting year**

- **Achieved**

**Is this target part of an emissions target?**

This target is part of our goal of reducing absolute Scope 1 and 2 GHG emissions at our corporate restaurants and offices by 46% by 2030 from a 2019 base year.

**Is this target part of an overarching initiative?**

Science Based Targets initiative

**Please explain target coverage and identify any exclusions**

Renewable energy is an important tool in reducing greenhouse gas emissions. As we have set science-based targets, we are studying ways of increasing our renewable energy. The first step is to use 100% renewable electricity for our U.S. corporate offices. We achieved this through renewable energy certificates in 2022.

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). Target-related metrics reported for this goal reflect the percentage share of renewable energy we had within the reporting year.

**Plan for achieving target, and progress made to the end of the reporting year**

<Not Applicable>

**List the actions which contributed most to achieving this target**

We secured Green-e certified renewable energy certificates for our offices in the United States.

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Low 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year target was set</td>
<td>2021</td>
</tr>
<tr>
<td>Target coverage</td>
<td>Site/facility</td>
</tr>
<tr>
<td>Target type: energy carrier</td>
<td>Electricity</td>
</tr>
<tr>
<td>Target type: activity</td>
<td>Consumption</td>
</tr>
<tr>
<td>Target type: energy source</td>
<td>Renewable energy source(s) only</td>
</tr>
</tbody>
</table>

**Base year**

- **Consumption or production of selected energy carrier in base year (MWh)**
% share of low-carbon or renewable energy in base year 
0

Target year 
2022

% share of low-carbon or renewable energy in target year 
100

% share of low-carbon or renewable energy in reporting year 
100

% of target achieved relative to base year [auto-calculated] 
100

Target status in reporting year 
Achieved

Is this target part of an emissions target? 
This target is part of our goal of reducing absolute Scope 1 and 2 GHG emissions at our corporate restaurants and offices by 46% by 2030 from a 2019 base year.

Is this target part of an overarching initiative? 
Science Based Targets initiative

Please explain target coverage and identify any exclusions 
Our target is to use 100% renewable electricity for 1,000 restaurants in the United States in 2022. Renewable energy is an important tool in reducing greenhouse gas emissions and it is a key part of our plan to achieve our science-based targets. We continue to learn more about the application of renewable energy for our system. The procurement of renewable energy certificates is a preliminary step on our way to additional solutions that could contribute more strongly to the development of industry capacity.

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). Target-related metrics reported for this goal reflect the percentage share of renewable energy we had within the reporting year.

Plan for achieving target, and progress made to the end of the reporting year <Not Applicable>

List the actions which contributed most to achieving this target 
To achieve this target in 2022 we procured renewable energy certificates to meet our goal for 1,000 restaurants in the United States.

We continue to learn more about the application of renewable energy for our system. The procurement of renewable energy certificates is a preliminary step on our way to additional solutions that could contribute more strongly to the development of industry capacity.

In 2022, we completed a global study to evaluate renewable energy options for Yum! Brands as well as our franchisees. This study, conducted with the assistance of external experts, involved key internal stakeholders as well as a group of franchisees serving as advisors. Together the team evaluated diverse geographic regions for the feasibility of different approaches to renewable energy. This project supports anticipated positive long-term solutions that provide alternative renewable energy mechanisms, which encourage the development of additional renewable energy sources in support of our science-based target and aspirational net-zero 2050 goal. In the past year, many of our franchisees continued to develop approaches to procuring renewable energy around the world, including KFC franchisees in Indonesia, Australia, the Philippines, and the United States.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number 
Oth 1

Year target was set 
2018

Target coverage 
Business division

Target type: absolute or intensity 
Absolute

Target type: category & Metric (target numerator if reporting an intensity target) 
Waste management metric tons of waste diverted from landfill

Target denominator (intensity targets only) <Not Applicable>

Base year 
2021

Figure or percentage in base year 
0

Target year 
2025

Figure or percentage in target year
This target is currently not part of our science-based approved absolute emissions and emissions intensity reduction targets reported in C4.1a and C4.1b within this disclosure. However, we believe that waste diversion can create positive outcomes toward reducing our carbon footprint and environmental impact by decreasing the amount of waste sent to landfills from our processes.

We use the EPA’s WARM tool to calculate the CO2e avoidance related to our waste diversion activities. Results are included in our reporting for emissions reduction initiatives.

Is this target part of an overarching initiative?
Other, please specify (U.S. EPA Food Recovery Challenge)

Please explain target coverage and identify any exclusions
Yum! Brands is committed to first reducing, and then mindfully reusing or recycling, the waste generated at our restaurants. We set an aspirational goal to divert 50% of the back-of-house operational waste generated by weight in our U.S. restaurants by 2025. The target coverage includes all categories of food waste, corrugated, paper, plastics, used cooking oil, and miscellaneous waste. To calculate progress for this goal, we annually survey waste haulers to collect primary data where possible. Data is extrapolated to estimate total results. We also work with our food donation partner to calculate metrics associated with donated food.

Our baseline for this is rolling. In other words, we seek to divert 50% of the waste generated in the reporting year. Pursuant to the CDP Guidance for year-on-year rolling targets, we have reported our base year as the previous reporting year (2021). To date, we have been able to achieve an estimated 22% reduction level.

Plan for achieving target, and progress made to the end of the reporting year
In 2022, 22% of total waste was diverted. Reducing wasted food—our highest emitter of methane—is where Yum! Brands has made the most significant strides. We adhere to the EPA’s Food Recovery Hierarchy, which shows that there are much better places for leftover food than the landfill or even the compost bin. According to this hierarchy, reducing food waste begins at the source. We work with suppliers to purchase only as much fresh food as we expect to sell to customers based on our projections. The next best use for surplus food is to feed hungry people. That’s exactly what Yum! has been doing for more than 25 years through our Harvest program. Through Harvest, Pizza Hut and KFC stores donate surplus food from our restaurants to food banks, soup kitchens and other nonprofits.

List the actions which contributed most to achieving this target
<Not Applicable>
sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based 
packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact.

Sustainable palm oil sourcing is a priority at Yum! Brands. 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.

Our Sustainable Palm Oil Policy gives preference to third-party certification by the Roundtable on Sustainable Palm Oil (RSPO). We will continue to strive to meet this goal 
on an annual basis.

**Is this target part of an overarching initiative?** 
Other, please specify (New York Declaration on Forests - Palm Oil)

**Please explain target coverage and identify any exclusions**

Yum! Brands is committed to eliminating deforestation. In 2019, we endorsed the New York Declaration on Forests. Our sustainable paper-based packaging and palm oil 
sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based 
packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact.

Sustainable palm oil sourcing is a priority at Yum! Brands. 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.

Our Sustainable Palm Oil Policy gives preference to third-party certification by the Roundtable on Sustainable Palm Oil (RSPO). We will continue to strive to meet this goal 
on an annual basis. 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.

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. Target-related metrics reported for this goal 
reflect the percentage of palm oil from sustainable sources that we procured within the reporting year.

**Plan for achieving target, and progress made to the end of the reporting year**

Sustainable palm oil sourcing is a priority at Yum! Brands. 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.

Yum!'s 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. 
Our Sustainable Palm Oil Policy gives preference to third-party certification by the Roundtable on Sustainable Palm Oil (RSPO). 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. We will continue to strive to meet this goal on an annual basis.

**List the actions which contributed most to achieving this target**

<Not Applicable>

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Oth 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year target was set</td>
<td>2021</td>
</tr>
<tr>
<td>Target coverage</td>
<td>Company-wide</td>
</tr>
<tr>
<td>Target type: absolute or intensity</td>
<td>Absolute</td>
</tr>
</tbody>
</table>

**Target type: category & Metric (target numerator if reporting an intensity target)**

<table>
<thead>
<tr>
<th>Other, please specify</th>
<th>Other, please specify (percentage of fiber procured from sustainable sources based on metric tons)</th>
</tr>
</thead>
</table>

**Target denominator (intensity targets only)**

<Not Applicable>

<table>
<thead>
<tr>
<th>Base year</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure or percentage in base year</td>
<td>0</td>
</tr>
<tr>
<td>Target year</td>
<td>2022</td>
</tr>
<tr>
<td>Figure or percentage in target year</td>
<td>100</td>
</tr>
<tr>
<td>Figure or percentage in reporting year</td>
<td>70</td>
</tr>
<tr>
<td>% of target achieved relative to base year [auto-calculated]</td>
<td>70</td>
</tr>
<tr>
<td>Target status in reporting year</td>
<td>Underway</td>
</tr>
</tbody>
</table>

**Is this target part of an emissions target?**

This target is currently not part of our science-based approved absolute emissions and emissions intensity reduction targets reported in C4.1a and C4.1b within this

CDP
disclosure. However, we believe that sourcing sustainable fiber-based packaging can help us make progress toward achieving our goal of reducing Scope 3 GHG emissions intensity from purchased goods and services.

Yum! Brands is committed to eliminating deforestation. In 2019, we endorsed the New York Declaration on Forests. Our sustainable paper-based packaging and palm oil sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact. Our public goal is to purchase 100% of our paper-based packaging from responsibly managed forests and recycled sources.

Is this target part of an overarching initiative?
Other, please specify (New York Declaration on Forests)

Please explain target coverage and identify any exclusions
Yum! Brands is committed to eliminating deforestation. In 2019, we endorsed the New York Declaration on Forests. Our sustainable paper-based packaging and palm oil sourcing strategies and policies are important parts of this commitment. We disclose progress toward meeting our commitments to sustainable sourcing of paper-based packaging and palm oil in our CDP responses on Climate Change and Forests, as these policies contribute directly to reducing our environmental impact.

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-related metrics reported for this goal reflect the percentage of paper-based packaging from sustainable sources that we procured within the reporting year.

Plan for achieving target, and progress made to the end of the reporting year
Each year we collect data on the current state of certification from our suppliers and supply chain leaders. Progress is tracked at the business unit and supplier levels. Corporate supply chain leaders work with the market to encourage the transition. Together we work to increase the quantity of certified and recycled fiber in our packaging.

List the actions which contributed most to achieving this target
<Not Applicable>

**Target reference number**
Oth 4

**Year target was set**
2022

**Target coverage**
Business division

**Target type: absolute or intensity**
Absolute

**Target type: absolute or intensity**

<table>
<thead>
<tr>
<th>Category &amp; Metric (target numerator if reporting an intensity target)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Methane reduction target</td>
</tr>
</tbody>
</table>

**Target denominator (intensity targets only)**
<Not Applicable>

**Base year**
2022

**Figure or percentage in base year**
124508

**Target year**
2025

**Figure or percentage in target year**
62254

**Figure or percentage in reporting year**
124508

**% of target achieved relative to base year (auto-calculated)**
0

**Target status in reporting year**
New

Is this target part of an emissions target?
This target is currently not part of our science-based approved absolute emissions and emissions intensity reduction targets reported in C4.1a and C4.1b within this disclosure. However, we believe that sourcing dairy products from farms enrolled in the FARM ES program can help us make progress toward achieving our goal of reducing Scope 3 GHG emissions intensity from purchased goods and services.

Our brands are taking action on our science-based targets. Dairy is one of our largest emissions contributors. In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level emissions and energy 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 methane emissions, waste and GHGs. 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 target part of an overarching initiative?
Science Based Targets initiative – approved supplier engagement target

Please explain target coverage and identify any exclusions
Our brands are taking action on our science-based targets. Dairy is one of our largest emissions contributors. In 2022, Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level emissions and energy 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 methane emissions, waste and GHGs. 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.
Plan for achieving target, and progress made to the end of the reporting year

Our brands are taking action our science-based targets. Dairy is one of our largest emissions contributors. In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level emissions and energy 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.

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.

List the actions which contributed most to achieving this target
<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2050

Is this a science-based target?
No, but we are reporting another target that is science-based

Please explain target coverage and identify any exclusions
We have committed to the aspirational target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5°C Commitment Letter.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Unsure

Planned milestones and/or near-term investments for neutralization at target year
<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Number of initiatives</th>
<th>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>To be implemented</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Implementation commenced</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Implemented</td>
<td>143709</td>
<td>1020175</td>
</tr>
<tr>
<td>Not to be implemented</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-carbon energy generation</td>
<td>Other, please specify (EACs)</td>
</tr>
</tbody>
</table>
Low-carbon electricity purchases were made for U.S. locations. The Green-e certified certificates cover all corporate offices and 1,000 restaurants in the United States.

Low-carbon energy consumption

Estimated annual CO2e savings (metric tonnes CO2e)
9057.54

Low-carbon electricity purchases were made for Taco Bell, United States franchise locations. The Green-e certified certificates cover 261 Taco Bell franchise restaurants in the United States.

Energy efficiency in buildings

Estimated annual CO2e savings (metric tonnes CO2e)
267

Using our global energy conservation measures contained within our green building guide, Blueline, and associated brand standards, technologies and practices that reduce energy consumption and greenhouse gas emissions from the design and construction of new restaurants are being used globally. Designing and constructing these buildings is a focus of reducing our environmental impact. We include energy reducing technologies in areas including high-efficiency HVAC, optimized hoods, interior lighting, parking lot lighting, signage lighting, hot water generation, cooking equipment as well as key construction practices such as HVAC. Our goal is to have equity restaurants comply with energy conserving approaches. Brands and countries incorporate standard components into their templates as feasible. As we do not track Scope 1 and Scope 2 savings and investment specifically, we have allocated a percentage of overall savings and investment levels as reported together and divided according to the percentage of GHG emissions reported for Scope 1 and Scope 2.
All savings are estimated based on reported results from business units.

### Initiative category & Initiative type

<table>
<thead>
<tr>
<th>Energy efficiency in buildings</th>
<th>Other, please specify (New Construction – combination of approaches)</th>
</tr>
</thead>
</table>

### Estimated annual CO2e savings (metric tonnes CO2e)

1402

### Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

### Voluntary/Mandatory

Voluntary

### Annual monetary savings (unit currency – as specified in C0.4)

354136

### Investment required (unit currency – as specified in C0.4)

757477

### Payback period

1-3 years

### Estimated lifetime of the initiative

6-10 years

### Comment

Using our global energy conservation measures contained within our green building guide, Blueline, and associated brand standards, technologies and practices that reduce energy consumption and greenhouse gas emissions from the design and construction of new restaurants are being used globally. Designing and constructing these buildings is a focus of reducing our environmental impact. We include energy reducing technologies in areas including high-efficiency HVAC, optimized hoods, interior lighting, parking lot lighting, signage lighting, hot water generation, cooking equipment as well as key construction practices such as HVAC. Our goal is to have equity restaurants comply with energy conserving approaches. Brands and countries incorporate standard components into their templates as feasible. As we do not track Scope 1 and Scope 2 savings and investment specifically, we have allocated a percentage of overall savings and investment levels as reported together and divided according to the percentage of GHG emissions reported for Scope 1 and Scope 2.

All savings are estimated based on reported results from business units.

---

### Initiative category & Initiative type

<table>
<thead>
<tr>
<th>Energy efficiency in buildings</th>
<th>Other, please specify (New Construction – combination of approaches)</th>
</tr>
</thead>
</table>

### Estimated annual CO2e savings (metric tonnes CO2e)

100558

### Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 14: Franchises

### Voluntary/Mandatory

Voluntary

### Annual monetary savings (unit currency – as specified in C0.4)

24331929

### Investment required (unit currency – as specified in C0.4)

11633361

### Payback period

<1 year

### Estimated lifetime of the initiative

6-10 years

### Comment

Using our global energy conservation measures contained within our green building guide, Blueline, and associated brand standards, technologies, and practices that reduce energy consumption and greenhouse gas emissions from the design and construction of new restaurants are being used globally. Designing and constructing these buildings is a focus of reducing our environmental impact. We include energy reducing technologies in areas including high-efficiency HVAC, optimized hoods, interior lighting, parking lot lighting, signage lighting, hot water generation, cooking equipment as well as key construction practices such as HVAC. Brands and countries incorporate standard components into their templates as feasible. Franchisees are encouraged to participate, KFC and Pizza Hut have begun requiring key energy efficiency measures for kitchens as part of the brand standards.

Franchisees are encouraged to participate, KFC and Pizza Hut have begun requiring key energy efficiency measures for kitchens as part of the brand standards.

All savings are estimated based on reported results from business units.

---

### Initiative category & Initiative type

<table>
<thead>
<tr>
<th>Energy efficiency in buildings</th>
<th>Other, please specify (Existing Construction – combination of approaches)</th>
</tr>
</thead>
</table>

### Estimated annual CO2e savings (metric tonnes CO2e)

548

### Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Energy efficiency in buildings</th>
<th>Other, please specify (Existing Construction – combination of approaches.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated annual CO2e savings (metric tonnes CO2e)</td>
<td>2879</td>
<td></td>
</tr>
<tr>
<td>Scope(s) or Scope 3 category(ies) where emissions savings occur</td>
<td>Scope 2 (market-based)</td>
<td></td>
</tr>
<tr>
<td>Voluntary/Mandatory</td>
<td>Voluntary</td>
<td></td>
</tr>
<tr>
<td>Annual monetary savings (unit currency – as specified in C0.4)</td>
<td>693154</td>
<td></td>
</tr>
<tr>
<td>Investment required (unit currency – as specified in C0.4)</td>
<td>1228939</td>
<td></td>
</tr>
<tr>
<td>Payback period</td>
<td>1-3 years</td>
<td></td>
</tr>
<tr>
<td>Estimated lifetime of the initiative</td>
<td>6-10 years</td>
<td></td>
</tr>
<tr>
<td>Comment</td>
<td>The principles that we use to reduce emissions in new buildings also apply to existing buildings. During remodel programs and retrofitting projects these are implemented in restaurants across the globe. The nature and scope of these projects vary from year to year, but data is reported annually. For this reporting cycle, examples include low fryers in the United States. All savings are estimated based on reported results from business units.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Energy efficiency in buildings</th>
<th>Other, please specify (Existing Construction – combination of approaches.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated annual CO2e savings (metric tonnes CO2e)</td>
<td>35856</td>
<td></td>
</tr>
<tr>
<td>Scope(s) or Scope 3 category(ies) where emissions savings occur</td>
<td>Scope 3 category 14: Franchises</td>
<td></td>
</tr>
<tr>
<td>Voluntary/Mandatory</td>
<td>Voluntary</td>
<td></td>
</tr>
<tr>
<td>Annual monetary savings (unit currency – as specified in C0.4)</td>
<td>9386305</td>
<td></td>
</tr>
<tr>
<td>Investment required (unit currency – as specified in C0.4)</td>
<td>10993268</td>
<td></td>
</tr>
<tr>
<td>Payback period</td>
<td>1-3 years</td>
<td></td>
</tr>
<tr>
<td>Estimated lifetime of the initiative</td>
<td>6-10 years</td>
<td></td>
</tr>
<tr>
<td>Comment</td>
<td>The principles that we use to reduce emissions in new buildings also apply to existing buildings. During remodel programs and retrofitting projects these are implemented in restaurants across the globe. The nature and scope of these projects vary from year to year, but data is reported annually. For this reporting cycle examples include heat pump water heaters in Pizza Hut China, high-efficiency HVAC units in KFC India as well as LED lighting in KFC South Africa. All savings are estimated based on reported results from business units.</td>
<td></td>
</tr>
</tbody>
</table>
Waste reduction and material circularity

**Estimated annual CO2e savings (metric tonnes CO2e)**
8511

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 3 category 5: Waste generated in operations

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
0

**Investment required (unit currency – as specified in C0.4)**
0

**Payback period**
No payback

**Estimated lifetime of the initiative**
Ongoing

**Comment**
Reducing wasted food—our highest emitter of methane—is where Yum! Brands has made the most significant strides. We adhere to the EPA’s Food Recovery Hierarchy, which shows that there are much better places for leftover food than the landfill or even the compost bin. According to this hierarchy, reducing food waste begins at the source. We work with suppliers to purchase only as much fresh food as we expect to sell to customers based on our projections. The next best use for surplus food is to feed hungry people. That’s exactly what Yum! has been doing for more than 25 years through our Harvest program. Through Harvest, Pizza Hut and KFC stores donate surplus food from our restaurants to food banks, soup kitchens and other nonprofits.

Emissions reduction was calculated using EPA Waste Reduction Model (WARM) spreadsheet. Cost and savings were not calculated.

Product/component/material recycling

**Estimated annual CO2e savings (metric tonnes CO2e)**
794395

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 3 category 5: Waste generated in operations

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
0

**Investment required (unit currency – as specified in C0.4)**
0

**Payback period**
No payback

**Estimated lifetime of the initiative**
Ongoing

**Comment**
Yum! Brands is committed to first reducing, and then mindfully reusing or recycling, the waste generated at our restaurants. We set an aspirational goal to divert 50% of the back-of-house operational waste generated by weight in our U.S. restaurants by 2025. To calculate progress for this goal, we annually survey waste haulers to collect primary data where possible. Data is extrapolated to estimate total results. We also work with our food donation partner to calculate metrics related to donated food. The coverage includes all categories of food waste, corrugated, paper, plastics, used cooking oil, and miscellaneous waste.

Emissions reduction was calculated using EPA Waste Reduction Model (WARM) spreadsheet. Cost and savings were not calculated.

Low-carbon energy generation

**Estimated annual CO2e savings (metric tonnes CO2e)**
776

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 2 (location-based)
Scope 2 (market-based)

**Voluntary/Mandatory**
Voluntary
Annual monetary savings (unit currency – as specified in C0.4)
62373

Investment required (unit currency – as specified in C0.4)
375000

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
In 2022, 17 KFC restaurants in Australia commissioned on-site solar installations.

All savings are estimated based on reported results from business units.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial optimization calculations</td>
<td>For both holistic green buildings and individual energy efficiency measures, financial calculations are completed to determine the financial payback and confirm that the initiative has an acceptable ROI. One example comes from the development of our green building standard, Blueline. During this process, the sub-metering of both green and non-green restaurants, in nearby locations, allowed for detailed utility consumption measurements. These measurements were normalized for factors including sales levels when appropriate so that financial calculations could be done. This process was repeated in countries such as the U.S., Australia, China, France and the U.K. The results of this work assist in driving investment in emissions reduction activities.</td>
</tr>
<tr>
<td>Internal incentives/recognition programs</td>
<td>At Yum!, our values challenge and inspire us to elevate our brands, our culture, our performance and our impact on customers and the communities that we serve. Providing recognition to those who lead with heart and courage to drive results is a valued part of what it means to be part of the Yum! family. Achievements that drive business results, including those that reduce the Company's environmental impacts, are recognized by non-monetary recognition awards. Recognition is an integral part of the Yum! Brands culture and everyone across the Company is encouraged to celebrate the achievements of others. All leaders in the Company have unique personal recognition awards. Awards that have been given for progress in achieving sustainability targets include our “Positive Spark” award which has been presented to employees for their contributions toward our sustainability targets. For example, associates in China and France have received the “Positive Spark” award for sustainability initiatives such as LEED restaurant development. We also have given our “Green Apple” award for contributions toward sustainability education within the company. Individuals in the U.K., China, Australia and the U.S. have received this recognition. High-performing results may be recognized by our CEO’s Achieving Breakthrough Results award which may be awarded on an annual basis.</td>
</tr>
</tbody>
</table>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a
(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

**Level of aggregation**
Product or service

**Taxonomy used to classify product(s) or service(s) as low-carbon**
No taxonomy used to classify product(s) or service(s) as low carbon

**Type of product(s) or service(s)**

<table>
<thead>
<tr>
<th>Other</th>
<th>Other, please specify (Pizza)</th>
</tr>
</thead>
</table>

**Description of product(s) or service(s)**
In 2022 Pizza Hut UK, working with Climate Partners, measured, estimated and offset emissions from flatbreads sold in the UK. This made each flatbread pizza carbon neutral. Pizza Hut offset emissions with Moostral, an agricultural technology company to reduce emissions associated with cattle that produce meat and dairy used in the making of flatbread pizza. The project supplements the diet of cows with natural garlic and citrus fruit supplements which are verified to reduce emissions. Given the modest scope of this test project, we have not included associated emission reductions in the accounting of our carbon footprint, and the percentage of revenue generated from the carbon neutral pizza is not available at the time of this disclosure.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**
No

**Methodology used to calculate avoided emissions**
<Not Applicable>

**Life cycle stage(s) covered for the low-carbon product(s) or service(s)**
<Not Applicable>

**Functional unit used**
<Not Applicable>

**Reference product/service or baseline scenario used**
<Not Applicable>

**Life cycle stage(s) covered for the reference product/service or baseline scenario**
<Not Applicable>

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**
<Not Applicable>

**Explain your calculation of avoided emissions, including any assumptions**
<Not Applicable>

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**
0

---

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

**Row 1**

Has there been a structural change?
- Yes, an acquisition
- Yes, a divestment

**Name of organization(s) acquired, divested from, or merged with**
In 2022, Yum! brands divested its entire operations in Russia, including KFC restaurants and Corporate buildings. Yum! also divested Pizza Hut UK equity restaurants in 2022 and acquired The Habit Burger Grill in 2020.

**Details of structural change(s), including completion dates**
The 2022 divestitures resulted in the selling and rebranding of the restaurants, affecting approximately 178 company and 1,066 franchise locations.

The 2020 acquisition of The Habit Burger Grill only affects the restated 2019 baseline emissions reported in this year’s disclosure. The acquisition resulted in the addition of approximately 253 Habit Burger Grill company locations and 34 franchise locations to the 2019 baseline emissions. Habit Burger Grill emissions have been integrated into our disclosure of reporting year emissions since the 2022 CDP disclosure for the reporting period of calendar year 2021.
(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

<table>
<thead>
<tr>
<th>Change(s) in methodology, boundary, and/or reporting year definition?</th>
<th>Details of methodology, boundary, and/or reporting year definition change(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>No</td>
</tr>
</tbody>
</table>

(C5.1c) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

<table>
<thead>
<tr>
<th>Base year recalculation</th>
<th>Scope(s) recalculated</th>
<th>Base year emissions recalculation policy, including significance threshold</th>
<th>Past years’ recalculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Yes</td>
<td>Scope 1, Scope 2, location-based, Scope 2, market-based, Scope 3</td>
<td>Our policy is to restate our base year if any changes in restaurant count result in changes in base year emissions by more than 10%. For any acquisitions, base year data for the acquired location is added to the total base year data using actual data, if available, or estimated data based on the estimation methodology. For any divestitures, the base year data for the divested location is subtracted from the total base year emissions. In accordance with our policy, the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants, which have a material impact on Scope 1 and 2 emissions for the base year, have triggered a recalculation of the 2019 emissions but not a change in methodology.</td>
</tr>
</tbody>
</table>

(C5.2) Provide your base year and base year emissions.

**Scope 1**

- **Base year start**
  January 1 2019

- **Base year end**
  December 31 2019

- **Base year emissions (metric tons CO2e)**
  35429.62

- **Comment**
  Working to reduce greenhouse gas emissions is part of our mission to build the world’s most loved, trusted and fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We have now completed a TCFD report and have set approved science-based targets. In addition, we have committed to the aspiration target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5% Commitment.

  We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.

**Scope 2**

- **Base year start**
  January 1 2019

- **Base year end**
  December 31 2019

- **Base year emissions (metric tons CO2e)**
  144825.71

- **Comment**
  Working to reduce greenhouse gas emissions is part of our mission to build the world’s most loved, trusted and fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We have now completed a TCFD report and have set approved science-based targets. In addition, we have committed to the aspiration target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5% Commitment.

  We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.
Scope 2 (market-based)

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
153093.82

Comment
Working to reduce greenhouse gas emissions is part of our mission to build the world's most loved, trusted and fastest growing restaurant brands. We have achieved multiple energy and emissions reduction targets over the last decade including reducing 22% of our Scope 1 and 2 emissions by the end of 2017 as compared to our 2005 base year. We continued to work on energy conservation and GHG emission reduction by striving to reduce average restaurant energy and GHG emissions by 10% from our 2017 levels by the end of 2025. This was achieved in 2020. We have now completed a TCFD report and have set approved science-based targets. In addition, we have committed to the aspiration target of reaching net-zero emissions no later than 2050 by adopting the Business Ambition for 1.5% Commitment.

We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
23123133.93

Comment
We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. During this process we have also updated our purchased goods emission factors for food products, so they are up to date with the most recent science. The restated baseline emissions have been audited at the time of this disclosure.

Scope 3 category 2: Capital goods

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
52183.04

Comment
Based on capital expenditures in 2019, emissions from capital goods are estimated to be approximately 0.2% of overall 2019 scope 3 emissions.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
1051557.56

Comment
We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
781430

Comment
We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.
Scope 3 category 6: Business travel

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
17960.6

Comment
We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.

Scope 3 category 7: Employee commuting

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
57800

Comment
Based on the number of employees in 2019, emissions are estimated to be approximately 0.2% of overall 2019 scope 3 emissions.

Scope 3 category 8: Upstream leased assets

Base year start
Base year end
Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
402196.56

Comment
We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.

Scope 3 category 10: Processing of sold products

Base year start
Base year end
Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start
Base year end
Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
January 1 2019

Base year end
December 31 2019

Base year emissions (metric tons CO2e)
7205

Comment
We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.
Scope 3 category 13: Downstream leased assets

<table>
<thead>
<tr>
<th>Base year start</th>
<th>Base year end</th>
<th>Base year emissions (metric tons CO2e)</th>
<th>Comment</th>
</tr>
</thead>
</table>

Scope 3 category 14: Franchises

<table>
<thead>
<tr>
<th>Base year start</th>
<th>Base year end</th>
<th>Base year emissions (metric tons CO2e)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1 2019</td>
<td>December 31 2019</td>
<td>8449558</td>
<td>We have recalculated our 2019 baseline. The recalculation was triggered by the acquisition of Habit Burger Grill, along with the divestitures of Russian operations and Pizza Hut UK equity restaurants. The restated baseline emissions have been audited at the time of this disclosure.</td>
</tr>
</tbody>
</table>

Scope 3 category 15: Investments

<table>
<thead>
<tr>
<th>Base year start</th>
<th>Base year end</th>
<th>Base year emissions (metric tons CO2e)</th>
<th>Comment</th>
</tr>
</thead>
</table>

Scope 3: Other (upstream)

<table>
<thead>
<tr>
<th>Base year start</th>
<th>Base year end</th>
<th>Base year emissions (metric tons CO2e)</th>
<th>Comment</th>
</tr>
</thead>
</table>

Scope 3: Other (downstream)

<table>
<thead>
<tr>
<th>Base year start</th>
<th>Base year end</th>
<th>Base year emissions (metric tons CO2e)</th>
<th>Comment</th>
</tr>
</thead>
</table>

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

- US EPA Mandatory Greenhouse Gas Reporting Rule
- US EPA Emissions & Generation Resource Integrated Database (eGRID)
- Other, please specify (International Energy Agency (IEA 2018) (Published 2020) and RE-DISS - European Residual Mixes (Published 2020))

C6. Emissions data
### C6.1 What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Gross global Scope 1 emissions (metric tons CO2e)</th>
<th>Start date</th>
<th>End date</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>42919.18</td>
<td>January 1 2022</td>
<td>December 31 2022</td>
<td></td>
</tr>
</tbody>
</table>

#### Past year 1

<table>
<thead>
<tr>
<th>Gross global Scope 1 emissions (metric tons CO2e)</th>
<th>Start date</th>
<th>End date</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>35429.62</td>
<td>January 1 2019</td>
<td>December 31 2019</td>
<td></td>
</tr>
</tbody>
</table>

### C6.2 Describe your organization’s approach to reporting Scope 2 emissions.

#### Row 1

<table>
<thead>
<tr>
<th>Scope 2, location-based</th>
<th>We are reporting a Scope 2, location-based figure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 2, market-based</td>
<td>We are reporting a Scope 2, market-based figure</td>
</tr>
</tbody>
</table>

#### Comment

Utilized residual mix emission factors for markets in Europe as well as eGRID factors for the United States.

### C6.3 What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Scope 2, location-based</th>
<th>Start date</th>
<th>End date</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100477.74</td>
<td>January 1 2022</td>
<td>December 31 2022</td>
<td></td>
</tr>
</tbody>
</table>

#### Past year 1

<table>
<thead>
<tr>
<th>Scope 2, location-based</th>
<th>Start date</th>
<th>End date</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>144825.71</td>
<td>January 1 2019</td>
<td>December 31 2019</td>
<td></td>
</tr>
</tbody>
</table>

### C6.4 Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No
(6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

**Purchased goods and services**

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
21477531.15

**Emissions calculation methodology**
Average data method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
67

Please explain
In 2022, we estimated GHG emissions for purchased goods and services based on direct data from select global markets. Extensive global data was available for plastic, services wares, cooking oil and fiber packaging. Although more data was available for food purchased in the reporting year, extensive extrapolation was required. Extrapolation in all areas is done by calculating a per restaurant average, by brand and if possible, by region and/or country and applying global store count for company-owned and franchise restaurants.

**Capital goods**

**Evaluation status**
Not relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
66424.32

**Emissions calculation methodology**
Spend-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

Please explain
Based on capital expenditures in 2022, emissions from capital goods are estimated to be approximately 0.2% of overall 2022 scope 3 emissions.

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**
Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

Please explain
Energy related activities are included in scope 1 and 2 values.

**Upstream transportation and distribution**

**Evaluation status**
Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**
134341.33

**Emissions calculation methodology**
Fuel-based method
Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
9.8

Please explain
In 2022 we estimated upstream transportation by including transportation from the manufacturer to distribution warehouses, when transportation data provided by the distributor, as well as transportation data from the warehouses to the restaurants. Due to data availability, Australia, India, South Africa, Thailand, Puerto Rico, UK, and U.S. data has served as the basis of the estimate with select inputs from other equity markets. A per restaurant average, by brand, was calculated based on fuel per store and applied to our global store count for company-owned and franchise restaurants. All calculations were completed utilizing emission factors presented in UK Government GHG Conversion Factors for Company Reporting, 2022.
Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
752299.2

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
10.6

Please explain
In 2022, we estimated the amount of emissions from waste generated in operations. Due to data availability, U.S., UK, Australia, France, India, France, Japan, Canada, Mexico, and Thailand, Taiwan data has served as the basis of the estimate. A per restaurant average, by brand, was calculated based on waste generated per store in our sample and applied to our global store count for company-owned and franchise restaurants. Please note that this value represents operational waste disposed, operational waste recycled, food donated, and products and not packaging removed by customers. GHG emissions have been estimated using the EPA’s WARM tool using the best available categories.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
12124.5

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
All calculations were completed utilizing emission factors presented in the DEFRA UK Government greenhouse gas reporting conversion factors 2022.

Employee commuting

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
61200

Emissions calculation methodology
Other, please specify (Average employee method)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Based on the number of employees in 2022, emissions are estimated to be approximately 0.2% of overall 2022 scope 3 emissions.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Emissions from leased assets for offices, warehouses and other uses are reflected in our scope 1 and 2 values.

Downstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
307447.94

Emissions calculation methodology
Fuel-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
68.7

Please explain
In 2022, we estimated downstream transportation, otherwise known as delivery from the restaurant to consumers. Due to data Deliveries for Pizza Hut stores in countries without reported data were estimated. A per restaurant average for Pizza Hut was calculated based on distance traveled and applied to the store count for applicable countries for franchise restaurants. For food aggregators, either the total distance traveled, or the number of deliveries and the average distance traveled per delivery is reported. All calculations were completed utilizing emission factors presented in UK Government GHG Conversion Factors for Company Reporting, 2022.
Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
All the products sold by our restaurants are consumed immediately without any further processing.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
All the products sold by our restaurants are consumed immediately.

End of life treatment of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
35380.45

Emissions calculation methodology
Average data method
Spend-based method
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
85.2

Please explain
Total represents 2022 emissions resulting from the end-of-life treatment of packaging. A per restaurant average, by brand, was calculated based on waste generated per store in our sample and applied to our global store count for company-owned and franchise restaurants. GHG emissions have been estimated using the EPA’s WARM tool using the best available categories.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Yum! Brands does not lease any material downstream assets.

Franchises

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
6731877.53

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
24

Please explain
We have estimated franchise restaurant GHG emissions for all countries. These estimates were calculated on a per restaurant average for energy use and GHG emissions according to data provided from our global survey. The survey included equity restaurants and a sampling of franchise units and included emissions data for electricity, fuels, heating/cooling, HFC, and distribution. Approximately 24% of data was obtained from value chain partners.
Investments

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
There were no material investments made in 2022 that impacted greenhouse gas emissions.

Other (upstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

Other (downstream)

Evaluation status
Not evaluated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.
Past year 1

Start date
January 1 2019

End date
December 31 2019

Scope 3: Purchased goods and services (metric tons CO2e)
23123133.93

Scope 3: Capital goods (metric tons CO2e)
52183.04

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
0

Scope 3: Upstream transportation and distribution (metric tons CO2e)
1051557.56

Scope 3: Waste generated in operations (metric tons CO2e)
781430

Scope 3: Business travel (metric tons CO2e)
17960.6

Scope 3: Employee commuting (metric tons CO2e)
57800

Scope 3: Upstream leased assets (metric tons CO2e)
0

Scope 3: Downstream transportation and distribution (metric tons CO2e)
402196.56

Scope 3: Processing of sold products (metric tons CO2e)
0

Scope 3: Use of sold products (metric tons CO2e)
0

Scope 3: End of life treatment of sold products (metric tons CO2e)
7205

Scope 3: Downstream leased assets (metric tons CO2e)
0

Scope 3: Franchises (metric tons CO2e)
8449558

Scope 3: Investments (metric tons CO2e)
0

Scope 3: Other (upstream) (metric tons CO2e)
0

Scope 3: Other (downstream) (metric tons CO2e)
0

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10
Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.000012

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
80775.28

Metric denominator
unit total revenue

Metric denominator: Unit total
6842000000

Scope 2 figure used
Market-based

% change from previous year
47.8

Direction of change
Decreased

Reason(s) for change
Change in renewable energy consumption

Please explain
The decrease in the emissions figure is attributed to RECs purchased for sites in the United States. Total revenue also increased from 2022 to 2021 from $6.58 billion to $6.84 billion.

Intensity figure
77.7

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
80775.28

Metric denominator
Other, please specify (Per equity location)

Metric denominator: Unit total
1040

Scope 2 figure used
Market-based

% change from previous year
42.01

Direction of change
Decreased

Reason(s) for change
Change in renewable energy consumption

Please explain
The decrease in the emissions figure is attributed to RECs purchased for the United States. The number of Yum!’s equity locations, including office buildings and restaurants, decreased from 1,130 in 2021 to 1,040 in 2022 due to divestitures.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

<table>
<thead>
<tr>
<th>Greenhouse gas</th>
<th>Scope 1 emissions (metric tons of CO2e)</th>
<th>GWP Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2</td>
<td>38888.51</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>CH4</td>
<td>21.51</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>NOx</td>
<td>22.62</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
<tr>
<td>HFCs</td>
<td>3986.53</td>
<td>IPCC Fifth Assessment Report (AR5 – 100 year)</td>
</tr>
</tbody>
</table>
C7.2

(C7.2) Break down your total global Scope 1 emissions by country/area/region.

<table>
<thead>
<tr>
<th>Country/area/region</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>886.5</td>
</tr>
<tr>
<td>Canada</td>
<td>79.66</td>
</tr>
<tr>
<td>France</td>
<td>79.66</td>
</tr>
<tr>
<td>Germany</td>
<td>192.32</td>
</tr>
<tr>
<td>India</td>
<td>611.97</td>
</tr>
<tr>
<td>Israel</td>
<td>79.66</td>
</tr>
<tr>
<td>Italy</td>
<td>69.24</td>
</tr>
<tr>
<td>Netherlands</td>
<td>109.7</td>
</tr>
<tr>
<td>Singapore</td>
<td>79.66</td>
</tr>
<tr>
<td>South Africa</td>
<td>1306.02</td>
</tr>
<tr>
<td>Spain</td>
<td>90.56</td>
</tr>
<tr>
<td>Switzerland</td>
<td>94.83</td>
</tr>
<tr>
<td>Thailand</td>
<td>0</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>71.76</td>
</tr>
<tr>
<td>United Kingdom of Great Britain and Northern Ireland</td>
<td>456.53</td>
</tr>
<tr>
<td>United States of America</td>
<td>38610.87</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>97.16</td>
</tr>
</tbody>
</table>

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total global Scope 1 emissions by business division.

<table>
<thead>
<tr>
<th>Business division</th>
<th>Scope 1 emissions (metric ton CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFC</td>
<td>5629.43</td>
</tr>
<tr>
<td>Pizza Hut</td>
<td>820.83</td>
</tr>
<tr>
<td>Taco Bell</td>
<td>13170.71</td>
</tr>
<tr>
<td>Habit Burger Grill</td>
<td>18419.52</td>
</tr>
<tr>
<td>Corporate</td>
<td>4878.69</td>
</tr>
</tbody>
</table>

C7.5

(C7.5) Break down your total global Scope 2 emissions by country/area/region.

<table>
<thead>
<tr>
<th>Country/area/region</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>13404.46</td>
<td>13404.46</td>
</tr>
<tr>
<td>Canada</td>
<td>46.64</td>
<td>46.64</td>
</tr>
<tr>
<td>France</td>
<td>2.6</td>
<td>2.96</td>
</tr>
<tr>
<td>Germany</td>
<td>32.86</td>
<td>61.88</td>
</tr>
<tr>
<td>India</td>
<td>3234.94</td>
<td>3234.94</td>
</tr>
<tr>
<td>Israel</td>
<td>8.53</td>
<td>8.53</td>
</tr>
<tr>
<td>Italy</td>
<td>18.24</td>
<td>31.47</td>
</tr>
<tr>
<td>Netherlands</td>
<td>47.55</td>
<td>70.94</td>
</tr>
<tr>
<td>Singapore</td>
<td>105.64</td>
<td>106.64</td>
</tr>
<tr>
<td>South Africa</td>
<td>14368.48</td>
<td>14368.48</td>
</tr>
<tr>
<td>Spain</td>
<td>11.28</td>
<td>20.98</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1.97</td>
<td>2.41</td>
</tr>
<tr>
<td>Thailand</td>
<td>46.45</td>
<td>46.45</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>88.1</td>
<td>88.1</td>
</tr>
<tr>
<td>United Kingdom of Great Britain and Northern Ireland</td>
<td>3896.38</td>
<td>6304.43</td>
</tr>
<tr>
<td>United States of America</td>
<td>65105.82</td>
<td>0</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>57.78</td>
<td>57.78</td>
</tr>
</tbody>
</table>
C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

<table>
<thead>
<tr>
<th>Business division</th>
<th>Scope 2, location-based (metric tons CO2e)</th>
<th>Scope 2, market-based (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFC</td>
<td>38878.45</td>
<td>36101.22</td>
</tr>
<tr>
<td>Pizza Hut</td>
<td>960.39</td>
<td>0</td>
</tr>
<tr>
<td>Taco Bell</td>
<td>40313.4</td>
<td>0</td>
</tr>
<tr>
<td>Habit Burger Grill</td>
<td>7988.88</td>
<td>0</td>
</tr>
<tr>
<td>Corporate</td>
<td>6336.62</td>
<td>1754.88</td>
</tr>
</tbody>
</table>

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

<table>
<thead>
<tr>
<th>Subsidiary name</th>
<th>Primary activity</th>
<th>Select the unique identifier(s) you are able to provide for this subsidiary</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
<th>Scope 2, location-based emissions (metric tons CO2e)</th>
<th>Scope 2, market-based emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFC</td>
<td>Fast food</td>
<td>No unique identifier</td>
<td>5629.43</td>
<td>38878.45</td>
<td>36101.22</td>
</tr>
<tr>
<td>Pizza Hut</td>
<td>Fast food</td>
<td>No unique identifier</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Taco Bell</td>
<td>Fast food</td>
<td>No unique identifier</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Habit Burger Grill</td>
<td></td>
<td>No unique identifier</td>
<td>7988.88</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Comment

KFC is a fully owned subsidiary of Yum! Brands, Inc., ticker symbol YUM on the NYSE.
ISIN code – bond
<Not Applicable>

ISIN code – equity
<Not Applicable>

CUSIP number
<Not Applicable>

Ticker symbol
<Not Applicable>

SEDOL code
<Not Applicable>

LEI number
<Not Applicable>

Other unique identifier
<Not Applicable>

Scope 1 emissions (metric tons CO2e)
820.83

Scope 2, location-based emissions (metric tons CO2e)
960.39

Scope 2, market-based emissions (metric tons CO2e)
0

Comment
Pizza Hut is a fully owned subsidiary of Yum! Brands, Inc., ticker symbol YUM on the NYSE.

Subsidiary name
Taco Bell

Primary activity
Fast food

Select the unique identifier(s) you are able to provide for this subsidiary
No unique identifier

ISIN code – bond
<Not Applicable>

ISIN code – equity
<Not Applicable>

CUSIP number
<Not Applicable>

Ticker symbol
<Not Applicable>

SEDOL code
<Not Applicable>

LEI number
<Not Applicable>

Other unique identifier
<Not Applicable>

Scope 1 emissions (metric tons CO2e)
13170.71

Scope 2, location-based emissions (metric tons CO2e)
46313.4

Scope 2, market-based emissions (metric tons CO2e)
0

Comment
Taco Bell is a fully owned subsidiary of Yum! Brands, Inc., ticker symbol YUM on the NYSE.

Subsidiary name
The Habit Burger Grill

Primary activity
Fast food

Select the unique identifier(s) you are able to provide for this subsidiary
No unique identifier

ISIN code – bond
<Not Applicable>

ISIN code – equity
<Not Applicable>

CUSIP number
<Not Applicable>
The Habit Burger Grill is a fully owned subsidiary of Yum! Brands, Inc., ticker symbol YUM on the NYSE.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

<table>
<thead>
<tr>
<th>Change in emissions (metric tons CO2e)</th>
<th>Direction of change in emissions</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in renewable energy consumption</td>
<td>96701.48</td>
<td>Decreased 44</td>
<td>Renewable energy was purchased through EACs for our US Locations. The reduction was calculated by calculating the emissions as if this energy was received from the grid using US EPA eGRID factors, providing an annualized reduction of 65,905.48 MT CO2e. In addition, a total of 17 KFC restaurants commissioned on-site solar installations with an estimated emission reduction of 776.00 MT CO2e. The denominator for calculating the emissions value percentage was the total 2021 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions reduction attributed to renewable energy consumption as follows: (-65,905.48/151,678) * 100% = -44.0%.</td>
</tr>
<tr>
<td>Other emissions reduction activities</td>
<td>3694</td>
<td>Decreased 2.4</td>
<td>Projects for increasing energy efficiency were undertaken in 2022. The reduction was estimated as an annualized reduction of 3,694 MT CO2e for all scope 1 and scope 2 energy efficiency projects. The denominator for calculating the emissions value percentage was the total 2021 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions reduction attributed to emissions reduction activities as follows: (-3,694/151,678) * 100% = -2.4%.</td>
</tr>
<tr>
<td>Divestment</td>
<td>6469.17</td>
<td>Decreased 4.3</td>
<td>Divestitures of Russian operations and Pizza Hut UK equity restaurants led to a net decrease in Yum! locations from 1,130 in 2021 to 1,040 in 2022, representing an 8% decrease. Assuming emissions are consistent across locations in 2022 this would account for a decrease of 6,469.17 MT CO2e. The denominator for calculating the emissions value percentage was the total 2021 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions reduction attributed to divestments as follows: (-6,469.17/151,678) * 100% = -4.3%.</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mergers</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in output</td>
<td>5945.76</td>
<td>Increased 3.9</td>
<td>Yum!’s revenue increased by 3.92% from 2021 to 2022, leading to an estimated increase of 5,945.76 MT CO2e for a change in output. The denominator for calculating the emissions value percentage was the total 2021 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions increase attributed to a change in output as follows: (5,945.76/151,678) * 100% = 3.9%.</td>
</tr>
<tr>
<td>Change in methodology</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in boundary</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in physical operating condition</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unidentified</td>
<td>16.4</td>
<td>Increased 0.01</td>
<td>There was an observed increase of 16.40 MT CO2e due to unknown reasons. The denominator for calculating the emissions value percentage was the total 2021 scope 1 and 2 emissions, scope 2 being market based. Per CDP Guidance, we calculated the emissions increase attributed to unknown reasons as follows: (16.40/151,678) * 100% = 0.01%. The amount of increase is well within the margin of error for methodologies used to calculate greenhouse gas emissions.</td>
</tr>
<tr>
<td>Other</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Undertaken</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>No</td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
<td>Yes</td>
</tr>
</tbody>
</table>

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Heating value</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total (renewable and non-renewable) MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>MWh (higher heating value)</td>
<td>0</td>
<td>203951.98</td>
<td>203951.98</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>&lt;Not Applicable&gt;</td>
<td>174596.53</td>
<td>61981.93</td>
<td>236578.46</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</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>Consumption of purchased or acquired cooling</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>Consumption of self-generated non-fuel renewable energy</td>
<td>&lt;Not Applicable&gt;</td>
<td>459.95</td>
<td>&lt;Not Applicable&gt;</td>
<td>459.95</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>&lt;Not Applicable&gt;</td>
<td>175056.48</td>
<td>265916.91</td>
<td>440973.39</td>
</tr>
</tbody>
</table>

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

<table>
<thead>
<tr>
<th>Application</th>
<th>Undertaken</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel for the generation of electricity</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of heat</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of steam</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of cooling</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of fuel for co-generation or tri-generation</td>
<td>No</td>
</tr>
</tbody>
</table>

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.
Sustainable biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Coal

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
3974.08

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Diesel represents 1,011 MT CO2e of emissions.

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
199977.9

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Natural Gas and LPG represent 36,060 MT CO2e of emissions.
Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

203951.98

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

<table>
<thead>
<tr>
<th></th>
<th>Total Gross generation (MWh)</th>
<th>Generation that is consumed by the organization (MWh)</th>
<th>Gross generation from renewable sources (MWh)</th>
<th>Generation from renewable sources that is consumed by the organization (MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>459.95</td>
<td>459.95</td>
<td>459.95</td>
<td>459.95</td>
</tr>
<tr>
<td>Heat</td>
<td>203951.98</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Steam</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cooling</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

C8.2e
(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

**Country/area of low-carbon energy consumption**
- United States of America

**Sourcing method**
- Unbundled procurement of energy attribute certificates (EACs)

**Energy carrier**
- Electricity

**Low-carbon technology type**
- Wind

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**
- 150064.78

**Tracking instrument used**
- US-REC

**Country/area of origin (generation) of the low-carbon energy or energy attribute**
- United States of America

**Are you able to report the commissioning or re-powering year of the energy generation facility?**
- Yes

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**
- 2015

**Comment**
- We procured renewable electricity to power our U.S. corporate offices and 1,000 restaurants using RECs. Commissioning years of the energy generation facilities range from 2015 to 2017.

---

**Country/area of low-carbon energy consumption**
- United States of America

**Sourcing method**
- Default delivered electricity from the grid (e.g. standard product offering by an energy supplier) from a grid that is 95% or more low-carbon and where there is no mechanism for specifically allocating low-carbon electricity

**Energy carrier**
- Electricity

**Low-carbon technology type**
- Renewable energy mix, please specify (Renewable energy supplied by utilities at our U.S. locations. The mix will vary by eGRID region.)

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**
- 25151.82

**Tracking instrument used**
- Contract

**Country/area of origin (generation) of the low-carbon energy or energy attribute**
- United States of America

**Are you able to report the commissioning or re-powering year of the energy generation facility?**
- No

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**
- <Not Applicable>

**Comment**
- This figure includes grid renewable energy generation as reported by eGRID region. This renewable energy was accounted for at a zero emission factor in accordance with the GHG Protocol Scope 2 Guidance.

---

**C8.2g**

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

**Country/area**
- Australia

**Consumption of purchased electricity (MWh)**
- 19677.72

**Consumption of self-generated electricity (MWh)**
- 459.95

**Is this electricity consumption excluded from your RE100 commitment?**
- <Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**
- 0

**Consumption of self-generated heat, steam, and cooling (MWh)**
- 0
<table>
<thead>
<tr>
<th>Country/area</th>
<th>Consumption of purchased electricity (MWh)</th>
<th>Consumption of self-generated electricity (MWh)</th>
<th>Is this electricity consumption excluded from your RE100 commitment?</th>
<th>Consumption of purchased heat, steam, and cooling (MWh)</th>
<th>Consumption of self-generated heat, steam, and cooling (MWh)</th>
<th>Total non-fuel energy consumption (MWh) [Auto-calculated]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>388.36</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>388.36</td>
</tr>
<tr>
<td>France</td>
<td>50.53</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>50.53</td>
</tr>
<tr>
<td>Germany</td>
<td>105.09</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>105.09</td>
</tr>
<tr>
<td>India</td>
<td>4668.7</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>4668.7</td>
</tr>
<tr>
<td>Country/area</td>
<td>Consumption of purchased electricity (MWh)</td>
<td>Consumption of self-generated electricity (MWh)</td>
<td>Is this electricity consumption excluded from your RE100 commitment?</td>
<td>Consumption of purchased heat, steam, and cooling (MWh)</td>
<td>Consumption of self-generated heat, steam, and cooling (MWh)</td>
<td>Total non-fuel energy consumption (MWh) [Auto-calculated]</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Israel</td>
<td>17.9</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>17.9</td>
</tr>
<tr>
<td>Italy</td>
<td>68.64</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>3</td>
<td>0</td>
<td>71.64</td>
</tr>
<tr>
<td>Netherlands</td>
<td>157.05</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>157.05</td>
</tr>
<tr>
<td>Singapore</td>
<td>274.03</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>274.03</td>
</tr>
<tr>
<td>South Africa</td>
<td>15474.94</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country/area</td>
<td>Consumption of purchased electricity (MWh)</td>
<td>Consumption of self-generated electricity (MWh)</td>
<td>Is this electricity consumption excluded from your RE100 commitment?</td>
<td>Consumption of purchased heat, steam, and cooling (MWh)</td>
<td>Consumption of self-generated heat, steam, and cooling (MWh)</td>
<td>Total non-fuel energy consumption (MWh) [Auto-calculated]</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>------------------------------------------------</td>
<td>------------------------------------------------</td>
<td>------------------------------------------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>Spain</td>
<td>73.21</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>73.21</td>
</tr>
<tr>
<td>Switzerland</td>
<td>79.31</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>79.31</td>
</tr>
<tr>
<td>Thailand</td>
<td>97.44</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>97.44</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>166.7</td>
<td>0</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>0</td>
<td>166.7</td>
</tr>
</tbody>
</table>
Consumption of purchased heat, steam, and cooling (MWh) 0
Consumption of self-generated heat, steam, and cooling (MWh) 0
Total non-fuel energy consumption (MWh) [Auto-calculated] 166.7

Country/area
United Kingdom of Great Britain and Northern Ireland
Consumption of purchased electricity (MWh) 19950.72
Consumption of self-generated electricity (MWh) 0
Is this electricity consumption excluded from your RE100 commitment? <Not Applicable>
Consumption of purchased heat, steam, and cooling (MWh) 0
Consumption of self-generated heat, steam, and cooling (MWh) 0
Total non-fuel energy consumption (MWh) [Auto-calculated] 19950.72

Country/area
United States of America
Consumption of purchased electricity (MWh) 175216.61
Consumption of self-generated electricity (MWh) 0
Is this electricity consumption excluded from your RE100 commitment? <Not Applicable>
Consumption of purchased heat, steam, and cooling (MWh) 0
Consumption of self-generated heat, steam, and cooling (MWh) 0
Total non-fuel energy consumption (MWh) [Auto-calculated] 175216.61

Country/area
Viet Nam
Consumption of purchased electricity (MWh) 91.5
Consumption of self-generated electricity (MWh) 0
Is this electricity consumption excluded from your RE100 commitment? <Not Applicable>
Consumption of purchased heat, steam, and cooling (MWh) 0
Consumption of self-generated heat, steam, and cooling (MWh) 0
Total non-fuel energy consumption (MWh) [Auto-calculated] 91.5

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification
C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Third-party verification or assurance process in place</td>
</tr>
</tbody>
</table>

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2022 KPMG Report and Yum! Statement of Emissions and Water Withdrawals with Assurance.pdf

Page/ section reference
Entire document

Relevant standard
Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)
100

C10.1b
(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**
- Scope 2 location-based

**Verification or assurance cycle in place**
- Annual process

**Status in the current reporting year**
- Complete

**Type of verification or assurance**
- Limited assurance

**Attach the statement**
- 2022 KPMG Report and Yum! Statement of Emissions and Water Withdrawals with Assurance.pdf

**Page/section reference**
- Entire document

**Relevant standard**
- Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**
- 100

---

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

**Scope 3 category**
- Scope 3: Purchased goods and services
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Downstream transportation and distribution
- Scope 3: End-of-life treatment of sold products
- Scope 3: Franchises

**Verification or assurance cycle in place**
- Annual process

**Status in the current reporting year**
- Complete

**Type of verification or assurance**
- Limited assurance

**Attach the statement**
- 2022 KPMG Report and Yum! Statement of Emissions and Water Withdrawals with Assurance.pdf

**Page/section reference**
- Entire Document

**Relevant standard**
- Attestation standards established by AICPA (AT105)

**Proportion of reported emissions verified (%)**
- 100
C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The Yum! Government Affairs team actively monitors the development of climate regulations. Any developments are brought to the attention of the Yum! and brand sustainability teams and reviewed to determine potential impact, scope and cost. As warranted, pending developments are included in our corporate risk analysis process and raised through the appropriate and necessary governance structures: Yum! Risk Committee, ESG Council, and the Audit Committee. For enacted regulations, a cross-divisional group including but not limited to government affairs, legal, finance, tax, sustainability, and other relevant business units work together to ensure on-time compliance. Our European team actively investigates and tracks carbon pricing systems within the European Union that might have an impact on our business. The enforcement date of system(s) applicable to our company is likely to be within the next three years, which is subject to change based on various conditions.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Details of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation &amp; collaboration (changing markets)</td>
<td>Run a campaign to encourage innovation to reduce climate impacts on products and services</td>
</tr>
</tbody>
</table>

% of suppliers by number
23

% total procurement spend (direct and indirect)
58

% of supplier-related Scope 3 emissions as reported in C6.5
78

Rationale for the coverage of your engagement

We are focused on managing the most material issue in our supply chain, which is the emissions associated with our core proteins: chicken, beef, dairy, and packaging.
Emissions from our core proteins and packaging suppliers account for approximately 78% of our supply chain emissions of purchased goods, and therefore is the focus of our supplier engagement.

**Impact of engagement, including measures of success**

Our plan to address supply chain emissions includes providing education on emissions reductions and participating in pilots to help industries develop supply chain programs. 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. To date, 40% of our suppliers of chicken, beef and dairy in the U.S., Canada, Western Europe and Australia have joined the Supplier LoCT program or have gone further and set their own emissions reduction goals. We are planning to roll out Supplier LoCT more broadly around the world in the future.

Our brands take action on the key commodities that are our largest emission contributors. In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level emissions and energy 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 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. In addition, Pizza Hut’s engagement will ensure all FARM ES-enrolled farmers will be provided a SCIO cup, a lab-grade dry matter analyzer that resembles a large coffee mug. Farmers can sample cattle feed in the SCIO cup using near-infrared spectroscopy to determine levels of dry matter in the feed, which affects cows’ methane output. Using this information, farmers will be able to deliver precise nutrition to their cows, leading to a reduction in waste and emissions. Success is measured by Pizza Hut’s progress toward its attainment of the 50% FARM ES dairy sourcing goal.

For beef, in collaboration with Cargill, a long time supplier for Taco Bell, and the National Fish and Wildlife Foundation, we will establish a $2 million sustainable farming fund to sponsor environmental conservation and emissions reduction projects with the application period starting in 2023 and an implementation start date in 2024.

**Comment**

Percentages represent desired targeted participation over time in example programs and future programs.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Details of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information collection (understanding supplier behavior)</td>
<td>Collect GHG emissions data at least annually from suppliers</td>
</tr>
<tr>
<td>Collect other climate related information at least annually from suppliers</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of suppliers by number</th>
<th>% total procurement spend (direct and indirect)</th>
<th>% of supplier-related Scope 3 emissions as reported in C6.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>58</td>
<td>78</td>
</tr>
</tbody>
</table>

**Rationale for the coverage of your engagement**

We collect information to understand supplier behavior on an annual basis. Yum! collects information on the commodities that are the most significant contributors to our greenhouse gas emissions footprint as determined by the science-based target setting process: poultry, beef, dairy, and packaging (fiber and plastic based). This sets our supplier engagement focus.

Our Global Supplier Code of Conduct requires suppliers to promote compliance with Yum!’s sustainability policies and positions in our Global Citizenship & Sustainability Report. Suppliers are also expected to develop appropriate environmental management systems that recognize the environmental impacts of their specific business processes and monitor and report performance against improvement targets. Suppliers are expected to be leaders in meeting or exceeding environmental standards and demonstrating year-over-year progress toward reducing the relative environmental footprint of their operations.

**Impact of engagement, including measures of success**

Making continued progress on our supply chain goals requires a multi-pronged approach: partnering with our suppliers to address emissions from land use to animal feed, and working across the industry to align on the data and reporting behind agricultural and packaging emissions.

Yum! conducts an annual sustainability survey to suppliers to gather data on a wide range of ESG issues, including specific data for understanding our greenhouse gas emissions. For example, for our survey covering 2022 data, 80% of poultry suppliers responded. This is a key step as we work broadly across the agricultural sector to align on emissions reporting.

In our annual survey, we also gather data from suppliers on compliance with our policy to transition to sustainable palm oil. Results are reported in CDP-Forests. As a result of this process, we have removed suppliers from our value chain and encouraged others to act.

Last, but importantly, we understand that raising animals for food can also contribute to climate change in regions of the world where deforestation and land conversion occurs. Engaging with supplier through the survey helps us to better understand forest-related value chain.

Success of this engagement is measured by the completion rate and quality of suppliers’ responses to our annual sustainability survey.

**Comment**

Scope 3 supplier emissions are estimated for corporate and franchise restaurants. It is an approximation prepared through the extrapolation of reported supplier data. Results are subject to refinement as supplier responses increase and methods of estimation improve.
(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

In addition to engaging with our suppliers on climate-related issues, Yum! Brands also engages with other stakeholders in the value chain, such as shareholders and NGOs. Shareholder engagement occurs during the annual Proxy Vote as proposals are received and also occurs on an as-needed basis as groups bring climate-related topics to our attention. Engagement (conversations and written correspondence) typically includes an overview of our sustainability and climate strategies and progress in addition to a comprehensive review of any shareholder and NGO positions.

For example, in November 2018 Yum! Brands received a shareholder proposal from The Sisters of Charity of the Blessed Virgin Mary, with a request for Yum! Brands to issue a report on climate change mitigation strategies, assessing the feasibility of adopting quantitative, company-wide goals for increasing Yum! Brands’ use of renewable energy and any other measures to substantially reduce the company’s greenhouse gas emissions. We reviewed, discussed and explored the proposal with the shareholder and associated groups and now have approved science-based targets. As part of this we are undertaking a program to inform suppliers about science-based targets and how to establish baselines. In our ongoing journey, we keep shareholders informed through reporting to CDP as well as our own Global Citizenship & Sustainability Report. Both public reports, which we post online, contain a summary of goals and progress. Our work also extends to NGO partners who are active in the climate change space. For example, we worked with WWF on a Brazil landscape analysis. We worked with FAI Farms in 2021 and 2022 to understand and address sourcing soy from areas with a high risk of deforestation. In early 2022, we expanded our data collection in our annual sustainability survey to account for global soy usage in our supply chain.

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?

No, but we plan to introduce climate-related requirements within the next two years.

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Yes, our membership of engagement with trade associations could influence policy, law, or regulation that may impact the climate.

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specifying the policy, law, or regulation on which your organization is engaging with policy makers

Agriculture Environmental Stewardship Act (helping to reduce methane emissions among livestock)

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Emissions – methane

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

United States of America

Your organization’s position on the policy, law, or regulation

Support with no exceptions
**Description of engagement with policy makers**
Met with House and Senate members, plus the U.S. Department of Agriculture.

**Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation**
<Not Applicable>

**Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?**
Yes, we have evaluated, and it is aligned

**Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?**
Our strategy is influenced by our belief that we have a responsibility to reduce our environmental impact and the resulting greenhouse gas emissions that contribute to climate change. We recognize that direct engagement with policymakers has the potential to drive changes in legislation that will support our efforts along this journey. Supporting the decarbonization of agricultural industries is central to our climate transition plan. The reduction of emissions from cattle and poultry in our purchased goods is part of our science-based targets.

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**
Recycle Act (providing more federal grants for state and local recycle programs)

**Category of policy, law, or regulation that may impact the climate**
Climate change mitigation

**Focus area of policy, law, or regulation that may impact the climate**
Other, please specify (Waste reduction)

**Policy, law, or regulation geographic coverage**
National

**Country/area/region the policy, law, or regulation applies to**
United States of America

**Your organization’s position on the policy, law, or regulation**
Support with no exceptions

**Description of engagement with policy makers**
Met with House and Senate members and signed letters of support.

**Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation**
<Not Applicable>

**Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?**
Yes, we have evaluated, and it is aligned

**Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?**
Our strategy is influenced by our belief that we have a responsibility to reduce our environmental impact and the resulting greenhouse gas emissions that contribute to climate change. We recognize that direct engagement with policymakers has the potential to drive changes in legislation that will support our efforts along this journey. Supporting waste reduction is central to our climate transition plan. The reduction of emissions from fiber-based and plastic-based packaging is part of our science-based targets.

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**
Recovery Act (establishing a grant program within the EPA for state and local recycling infrastructure)

**Category of policy, law, or regulation that may impact the climate**
Climate change mitigation

**Focus area of policy, law, or regulation that may impact the climate**
Other, please specify (Waste reduction)

**Policy, law, or regulation geographic coverage**
National

**Country/area/region the policy, law, or regulation applies to**
United States of America

**Your organization’s position on the policy, law, or regulation**
Support with no exceptions

**Description of engagement with policy makers**
Met with House and Senate members and signed letters of support.

**Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation**
<Not Applicable>

**Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?**
Yes, we have evaluated, and it is aligned

**Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?**
Our strategy is influenced by our belief that we have a responsibility to reduce our environmental impact and the resulting greenhouse gas emissions that contribute to climate change. Supporting waste reduction is central to our climate transition plan. The reduction of emissions from fiber-based and plastic-based packaging is part of our science-based targets. One of the main hurdles to increasing recycling rates in our business is the lack of state and local recycling infrastructure.

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**
Recycling and Composting Accountability Act (establishing a grant program within the EPA for state and local recycling infrastructure.)

**Category of policy, law, or regulation that may impact the climate**
Climate change mitigation

**Focus area of policy, law, or regulation that may impact the climate**
Other, please specify (Waste reduction)
Other, please specify (Waste reduction)

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
United States of America

Your organization’s position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Met with House and Senate members.

Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
Our strategy is influenced by our belief that we have a responsibility to reduce our environmental impact and the resulting greenhouse gas emissions that contribute to climate change. We recognize that direct engagement with policymakers has the potential to drive changes in legislation that will support our efforts along this journey. Supporting waste reduction is central to our climate transition plan. The reduction of emissions from fiber-based and plastic-based packaging is part of our science-based targets. One of the main hurdles to increasing recycling rates in our business is the lack of state and local recycling infrastructure.

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Recycling Infrastructure and Accessibility Act of 2022 (establishing a grant program within the EPA for state and local recycling infrastructure.)

Category of policy, law, or regulation that may impact the climate
Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate
Other, please specify (Waste reduction)

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
United States of America

Your organization’s position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Met with House and Senate members.

Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
Our strategy is influenced by our belief that we have a responsibility to reduce our environmental impact and the resulting greenhouse gas emissions that contribute to climate change. We recognize that direct engagement with policymakers has the potential to drive changes in legislation that will support our efforts along this journey. Supporting waste reduction is central to our climate transition plan. The reduction of emissions from fiber-based and plastic-based packaging is part of our science-based targets. One of the main hurdles to increasing recycling rates in our business is the lack of state and local recycling infrastructure.

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Inflation Reduction Act (establishing data collection and reporting requirements for composting and recycling programs)

Category of policy, law, or regulation that may impact the climate
Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate
Other, please specify (Waste reduction)

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
United States of America

Your organization’s position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Met with House/Senate members and signed a letter of support.

Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
Our strategy is influenced by our belief that we have a responsibility to reduce our environmental impact and the resulting greenhouse gas emissions that contribute to climate change. We recognize that direct engagement with policymakers has the potential to drive changes in legislation that will support our efforts along this journey. Supporting waste reduction is central to our climate transition plan. The reduction of emissions from fiber-based and plastic-based packaging is part of our science-based targets. One of the main hurdles to increasing recycling rates in our business is the lack of state and local recycling infrastructure.
targets. One of the main hurdles to increasing recycling rates in our business is the lack of state and local recycling infrastructure.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

**Trade association**
Other, please specify (U.S. Green Building Council)

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
The USGBC is committed to the development of green buildings with one of the goals being to combat global climate change. The promotion of the LEED rating system helps to mitigate the contribution of buildings to climate change by promoting emissions reductions through building operations energy use, transportation energy use, embodied energy and materials, water use, use of clean energy supplies, and promoting non-energy related drivers such as reforestation and refrigerant purchases.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**
5600

Describe the aim of your organization’s funding
Membership in the organization.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

**Trade association**
Other, please specify (National Restaurant Association (NRA))

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
The NRA is committed to educating their members about environmental sustainability in the restaurant business, including how to minimize food waste. That's why they have taken a leadership role, in partnership with the Food Waste Reduction Alliance, Grocery Manufacturers Association and the Food Marketing Institute, to reduce food waste in our industry. One of the main objectives of the group is to recycle unused food waste by diverting it from landfills.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**
100000

Describe the aim of your organization’s funding
Membership in the organization.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

**Trade association**
Other, please specify (Roundtable for Sustainable Palm Oil (RSPO))

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
The Roundtable for Sustainable Palm Oil pursues the use of sustainable palm oil products across the globe. They maintain environmental and social criteria which companies must comply to produce sustainable palm oil.

RSPO looks to prevent tropical rainforest deforestation and peatland conversion which are contributors to global climate change.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**
2300

Describe the aim of your organization’s funding
Membership in the organization.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

**Trade association**
Other, please specify (Clean Energy Buyers Association (CEBA))

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position
Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
The Clean Energy Buyers Association (CEBA) is a membership association in the United States for energy customers seeking to procure clean energy. The aspiration is to achieve a 90% carbon-free U.S. electricity system by 2030.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
15000

Describe the aim of your organization’s funding
Membership in the organization

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (U.S. Roundtable for Sustainable Poultry & Eggs)

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
The U.S. Roundtable for Sustainable Poultry & Eggs is a multi-stakeholder organization built to support continuous improvement in sustainability for the poultry and egg value chain. One of the three pillars of its work is focused on environmental sustainability, including energy and greenhouse gas conservation.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
10000

Describe the aim of your organization’s funding
Membership in the organization.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

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

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
The U.S. Roundtable for Sustainable Beef is a multi-stakeholder organization built to support continuous improvement in sustainability for the beef value chain. Its effort is focused on supporting industry collaboration and promoting the adoption and measurement of sustainability practices in the U.S. beef supply chain.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
15000

Describe the aim of your organization’s funding
Membership in the organization.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4
Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

**Publication**
In mainstream reports

**Status**
Complete

**Attach the document**
Yum! Brands 2022 Annual Report.pdf

**Page/Section reference**
2022 Annual Report Item 1A Risk Factors

**Content elements**
Governance
Strategy
Risks & opportunities

**Comment**
Yum! Brands takes our role as a global citizen and our impact on society and the environment seriously. In addition to our CDP disclosures, we report sustainability information in mainstream reports such as our Annual Report. Our 2022 Annual Report included the risks of climate change.

---

**Publication**
In voluntary sustainability report

**Status**
Complete

**Attach the document**
Yum! Brands 2022 Global Citizenship and Sustainability Report.pdf

**Page/Section reference**
Planet Section

**Content elements**
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

**Comment**
Yum! Brands takes our role as a global citizen and our impact on society and the environment seriously. In addition to our CDP disclosures, we report our progress and performance in voluntary communications such as our annual Global Citizenship & Sustainability Report.

---

**Publication**
In voluntary communications

**Status**
Complete

**Attach the document**
Pizza Hut partners with Dairy Farmers of America on Innovative Farm-level Sustainability Project.pdf

**Page/Section reference**
Entire Article

**Content elements**
Strategy
Risks & opportunities

**Comment**
Our brands are taking action on the key commodities that are our largest emissions contributors. In 2022 Pizza Hut launched a project with Dairy Farmers of America (DFA) to enroll dairy farm families to participate in annual farm-level emissions and energy 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 methane emissions, waste and GHGs. 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.
C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

<table>
<thead>
<tr>
<th>Board-level oversight and/or executive management-level responsibility for biodiversity-related issues</th>
<th>Description of oversight and objectives relating to biodiversity</th>
<th>Scope of board-level oversight</th>
</tr>
</thead>
</table>
| Yes, both board-level oversight and executive management-level responsibility | Yum! Brands is committed to eliminating deforestation in our global supply chains. Our commitments have grown over time and are centered around four primary supply chains: Palm, Paper, Beef and Soy. Achieving success in eliminating deforestation will require us to work with our suppliers on the critical components outlined in our forest policy:  
  - No development on High Conservation Value (HCV) landscapes or High Carbon Stock (HCS) forests.  
  - No development on peatlands, regardless of depth, and use of best management practices for existing plantations on peat.  
  - Compliance with country laws and regulations and our Yum! Brands Supplier Code of Conduct.  
  - Prevention and resolution of social and/or land conflicts consistent with the principle of free prior and informed consent.  

The New York Declaration on Forests (NYDF) serves as a central component of our forest policy and sets goals across several important areas including deforestation and sustainable development, as well as indigenous peoples and local communities. We support NYDF’s 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 alliance is a multi-stakeholder partnership platform initiated to support the implementation of private-sector commitments to remove deforestation from forests commodities (palm oil, beef, soy and pulp/paper) supply chains.

Yum! has been a member of RSPO since 2017 and annually reports our palm oil data. Our CSO currently serves on the RSPO Jurisdictional Working Group in support of market transformation for sustainable palm oil. Additionally, KFC United Kingdom and Ireland (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. |
| | | (Not Applicable)|

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

<table>
<thead>
<tr>
<th>Indicate whether your organization made a public commitment and/or endorsed any initiatives related to biodiversity</th>
<th>Biodiversity-related public commitments</th>
<th>Initiatives endorsed</th>
</tr>
</thead>
</table>
| Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity | Commitment to No Net Loss  
Commitment to no conversion of High Conservation Value areas  
Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples | Other, please specify (New York Declaration on Forests) |

C15.3
(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don’t plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don’t plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

<table>
<thead>
<tr>
<th>Have you taken any actions in the reporting period to progress your biodiversity-related commitments?</th>
<th>Type of action taken to progress biodiversity-related commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, we are taking actions to progress our biodiversity-related commitments</td>
<td>Land/water protection</td>
</tr>
</tbody>
</table>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

<table>
<thead>
<tr>
<th>Does your organization use indicators to monitor biodiversity performance?</th>
<th>Indicators used to monitor biodiversity performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>Please select</td>
</tr>
</tbody>
</table>

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

<table>
<thead>
<tr>
<th>Report type</th>
<th>Content elements</th>
<th>Attach the document and indicate where in the document the relevant biodiversity information is located</th>
</tr>
</thead>
<tbody>
<tr>
<td>In voluntary sustainability report or other voluntary communications</td>
<td>Content of biodiversity-related policies or commitments Other, please specify (Responsible Palm Oil)</td>
<td>Yum! Branda Paper-based Packaging Sourcing Policy, page 1 Yum! Branda Palm Oil Policy, page 1 Yum! Branda Paper-based Packaging Sourcing Policy.pdf Yum! Branda Palm Oil Policy.pdf</td>
</tr>
<tr>
<td>Other, please specify (RSPO ACOP)</td>
<td>Other, please specify (Responsible Palm Oil)</td>
<td>RSPO Principles and Criteria, pages 13, 52-64 RSPO Principles and Criteria.pdf</td>
</tr>
</tbody>
</table>

C16. Signoff
C-FI

(C-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.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</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