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GOALS

LEADERSHIP, EMPLOYEE DEVELOPMENT, LABOR PRACTICES, CULTURE & TALENT
- Measure Yum! Brands’ employee engagement
- Provide Yum! Brands’ employees with training and development that builds world-class leaders and business results

DIVERSITY & INCLUSION
- Minimize or eliminate unconscious bias through employee education
- Significantly increase the number of women in senior leadership globally
- Significantly increase diverse representation of underrepresented minorities in U.S. brands
- Share successes and challenges with other companies
- Ensure our workplaces are places where employees can have complex conversations about diversity and inclusion

HUMAN RIGHTS & LABOR
- Remain committed to our Global Code of Conduct and Supplier Code of Conduct, which addresses guidelines for working conditions consistent with frameworks such as those of the International Labour Organization (ILO)

OPPORTUNITIES & CHALLENGES
- Attracting and retaining talent in the quick-service restaurant sector
- Monitoring and adhering to laws that pertain to employee wages, immigration status and other employment issues
- Ensuring ethical practices across the entire business in more than 135 countries and territories

KEY TAKEAWAYS
- Yum!’s two biggest assets are our brands and our people. As we build the world’s most loved, trusted and fastest growing restaurant brands, an essential driver of growth is our unrivaled culture and talent, which enables us to fuel brand performance and franchisee success.
- We encourage corporate and franchise team members around the world to grow professionally, personally and academically, believing that the strongest employees are those who can be themselves and are challenged to do their best.
- We aim to create an inclusive and ethical workforce in order to be a workplace of choice and to drive business results by connecting meaningfully with diverse employees, customers, franchisees and suppliers worldwide.
- We cultivate a workplace where diversity is welcomed, sought out and developed at all levels of the company and franchise leadership.
- As a global restaurant company whose franchisees are a major employer of young people, our giving priorities – hunger relief, literacy, and youth empowerment and education – are areas in which we have the greatest potential to make an impact.
- Yum! seeks to unlock the potential of the communities where we work and live. We ensure employees have the time and resources to give back to organizations that are meaningful to them and support nonprofits near our hometown corporate offices.

MATERIAL ISSUES
- Talent Attraction, Engagement & Retention
- Human Rights & Labor Practices
- Ethics & Compliance

KEY STAKEHOLDERS
- Employees
- Franchisees
- Franchisee Employees
- Local Communities
Likewise, talent attraction, engagement and retention are strategic to our business success and among our most material corporate social responsibility issues.

We have a values-driven culture. In the way we recognize wins and believe in all people, we’ve made sure Yum! remains a company that feels like a community. Our culture emphasizes fun, recognition for wins big and small, and a focus on breakthrough results. We take a tremendous amount of pride in every individual, which we demonstrate by encouraging all employees to master their skill sets and constantly expand their expertise. This mindset makes every day dynamic, which leads to long and rewarding careers.

We firmly believe that our culture gives us a competitive advantage and are committed to maintaining it going forward. To help, Yum! CEO Greg Creed created and teaches a leadership development course for corporate employees and franchisees worldwide called Leading Culture to Fuel Results. Creed created the course to inspire employees and franchisees to become leaders who lead and prioritize our values-driven culture. The course centers around the idea that, by using culture as a foundation for establishing strategy and structure, we can create an atmosphere for successful business results. Since the program launched in 2016, more
than 95 percent of senior corporate leaders have taken part. Over the past two years, more than 15 courses have been conducted with employees and franchisees across more than 10 countries. In 2017 alone, courses were held in Hong Kong, India, Poland, the United Arab Emirates and the U.S. We plan to take Leading Culture to Fuel Results deeper into our organization over the coming years, including training more corporate employees and franchisees at various levels around the world.

At Pizza Hut, employees are encouraged to live “Life Unboxed,” fostering a culture where people can be their best, make friends and have fun. As part of this movement, the brand announced Life Unboxed EDU, an educational partnership that helps team members earn college degrees. Pizza Hut also updated its staff uniforms and launched the Heartstyles training program for its leaders.

It continues to award the Lou Folino Life Unboxed Award annually to a RGM who champions culture-driving initiatives in the restaurant and in the communities they serve. The campaign was recently awarded the Gold Award for Brandon Hall Group’s Excellence in Talent Management Awards and the WorkHappier Trailblazer Award from BI Worldwide.

Taco Bell’s leadership programs for RGMs, shift leads and area coaches – called theMark, theSpark and theQuest, respectively – are offered to all its restaurants in the U.S. These unique programs help individuals discover their leadership vision and how to lead at every level. More than 3,000 RGMs have flown to Taco Bell headquarters to attend theMark, where they also participate in community service projects and share ideas about how to create the best restaurant culture.

Since 2013, Taco Bell has consistently measured culture and engagement in restaurants with The Pulse. Nearly 35,000 team members take The Pulse survey three times a year, which helps restaurant leaders understand how they’re doing and provides tools to measure progress against goals.

A strong culture keeps high-performing employees at Yum! and our restaurants. Our retention rates are equal to or higher than those of our industry peers and results on our employee engagement survey show high levels of engagement among corporate employees. Sustained high scores on this survey were especially encouraging in 2017, given Yum!’s 2016 spinoff of the China business and announcement of our multi-year transformation plan to become a more focused, franchised and efficient company to drive future growth. This continued engagement during a time of great change is a testament to the power of our brands, strong culture and employees’ dedication to our mission.

“Our people-first culture and investment in our employees is a top priority for us as we build the world’s most loved, trusted and fastest growing restaurant brands.”

TRACY SKEANS – Yum! Chief Transformation & People Officer

LEADING WITH HEART AT KFC

KFC believes that for leaders to be successful, they must be “smart with heart,” meaning that when they are themselves with their teams, they build a more authentic, open and honest culture that delivers greater results. Leading With Heart was designed to enable leaders from CEO to RGM to gain insights into their own behavior and identify why they do the things they do through the use of the Heartstyles Indicator, a character development tool. The transformational, two-day workshop provides participants with the opportunity to gain insight about their own behaviors, develop strength of character through self-awareness activities and become more effective in both their personal and professional lives. The program is currently available in more than 25 countries and by the end of 2018 will be translated into 24 languages.

LEADING WITH HEART has the potential to reach 20,000 KFC RGMs who influence 800,000 team members who, in turn, impact 2 BILLION customers every year.
We sustain our winning culture by recruiting the best people and developing their potential. No matter where employees are within our organization or in their careers, continuing development is an important focus.

Today, 97 percent of Yum! restaurants are owned by franchisees. This diversified, decentralized structure demands an approach to building people’s capability that is customized and highly interactive. Yum! and our brands aim to create programs across the world that unlock individual talent, inspire growth and foster both business and personal development. Because we know that employees learn in different ways, we offer a variety of experiences from self-study to online classes to classroom training.
Opportunities for Restaurant Employees

Working at one of our restaurants is a first job for many of our team members. Whether our employees choose to pursue a career at Yum! or use our educational resources as a launchpad for other goals, we are proud to help them develop skills and capabilities on the job, further their education and build successful careers.

No matter an individual’s aspirations, earning a high school diploma or GED is a critical step in the right direction. In the U.S., KFC, Pizza Hut and Taco Bell all offer free programs to help employees earn their GEDs. For example, the KFC Foundation’s Rise with GEDWorks®, in partnership with the GED Testing Service, matches employees with a personal adviser to answer questions and help them prepare for the exam. All employees at participating KFC restaurants in the U.S. are eligible to enroll in the program.

KFC U.K. and Ireland creates career paths for restaurant teams and offers a range of training and accredited qualifications, including apprenticeships in hospitality management and a three-year bachelor’s degree for employees. These programs are fully paid for, with no cost to the employee. To date, nearly 900 employees have participated in the hospitality management programs, and more than 100 employees have participated in the Business Management Degree Program, with 27 graduating in the first two cohorts.

40 MILLION
Working U.S. adults lack a high school diploma

94%
of KFC U.S. restaurants participate in the KFC Foundation’s education programs

650
KFC U.S. restaurant employees enrolled
Scholarships &
Academic Support

When restaurant employees are ready to pursue higher education, Yum! Brands is there to help.

Team members in the U.S. can receive scholarships through a variety of sources, such as Taco Bell Foundation’s Live Más Scholarship, created for innovators, creators and dreamers – students whose passions lie outside the conventional academic or athletic categories. The Taco Bell Foundation set a bold goal of donating $10 million in Live Más Scholarships by 2022.

The REACH Educational Grant Program helps KFC employees pursue their dreams of going to college. Employees can receive up to $3,000 to help them attend a two-year or four-year college, trade or vocational school, or graduate degree program. Beginning in 2016, all employees at participating KFC U.S. restaurants were eligible to apply.

Another signature educational investment is the Andy Pearson Scholarship, established in honor of Yum!’s founding chairman. Since the inception of the scholarship in 2003, more than $6.7 million has been awarded to more than 3,000 scholarship recipients across the U.S. In 2017, 96 employees or their eligible family members received a total of $212,000 in scholarships, with 90 percent being awarded to field and restaurant employees.

A number of new education programs allow team members to turn their on-the-job restaurant training into college credit, giving employees even more opportunities to succeed. Pizza Hut’s Life Unboxed EDU is offered to all U.S. corporate and franchisee employees and immediate family members. It allows participants to apply their team member training courses as credits toward their chosen degree program at Excelsior College®, a fully accredited, private, nonprofit college with more than 40 degrees at the graduate and undergraduate levels. Undergraduate students can save more than 50 percent on tuition, while master’s degree earners can save 15 percent.

Through Taco Bell’s partnership with Guild Education, all Taco Bell corporate and franchise employees have access to coaches, discounts to Guild’s education partners, as well as academic and financial aid. This includes a network of 80 online nonprofit universities and learning providers, offering bachelor’s and master’s degrees, high school completion and English-as-a-second-language programs, as well as a wide selection of certificates. Taco Bell corporate employees, along with employees of participating franchisees, also have access to up to $5,250 per calendar year in tuition assistance. All employees can receive credit for their restaurant training, which could add up to an additional $5,000 in savings. Evidence suggests that these programs not only strengthen resumes, they also make for satisfied employees who want to stay at Yum! restaurants.

TACO BELL REINFORCES LEADERSHIP IN EMPLOYEE EDUCATION

In 2016, Taco Bell officially launched Start with Us, Stay with Us, a platform and mentality to set Taco Bell apart as a category of one through its education and career-building programs. Whether employees stay for a year or stay for life, Taco Bell has made it a priority to offer benefits and programs that create innovators and leaders for our communities inside and outside of its restaurants. The platform includes the full spectrum of opportunities that Taco Bell offers, including Live Más Scholarships for employees and customers, GED certification program and partnership programs with Guild Education. The platform supports Taco Bell’s goal of attracting and retaining top talent as it creates thousands of new jobs across the U.S.

98% of employees enrolled in Guild stayed at Taco Bell more than six months

34% increase over employees not enrolled

98% of employees enrolled in Guild stayed at Taco Bell more than six months

34% increase over employees not enrolled
Opportunities for Corporate Employees

Yum! takes a personalized approach to developing people and growing their careers. In addition to providing robust development plans, programs and learning platforms, we invest in corporate employees around the world by giving them meaningful roles and challenging opportunities.

We encourage people to move through the organization to different brands and geographies and provide responsibilities that broaden employees’ leadership capabilities. Experience has shown us that this approach is the fastest and most effective way to help our people develop.

Our performance management process, the Building People Capability (BPC) cycle, is designed to grow, develop and reward employees for their contributions. It has a strong focus on mentorship, including year-round coaching through one-on-one discussions between coaches and employees, plus specific times of the year when employees and coaches work together to set short- and long-term goals, create individual development plans and discuss performance results. Beyond guidance from their coaches, employees receive feedback from peers, direct reports and even customers through surveys and other methods.

There are also core educational programs and development opportunities in which employees are encouraged to participate. Companywide programs include Achieving Breakthrough Results, a course taught globally since 2008. The experience provides employees with tools and concepts aimed at high performance. It incorporates personal stories from senior leaders and is designed to help learners be intentional about their actions, use breakthrough thinking tools to take bold action to achieve results.

Another program, Leadership Accel, focuses on developing mid-level talent for future leadership roles. Lessons include how to align and engage others around a clear agenda, build other leaders, strategically influence the broader business and enhance critical thinking and decision-making skills.

In 2017, we launched Grow Yourself Week, a personal and professional development program for corporate employees based in Louisville, Ky. The spring and fall bi-annual programs offered nearly 70 interactive courses to hundreds of employees. During the programs, employees took advantage of development resources, networked with organizational leaders and connected to colleagues with similar interests and goals. Session topics ranged from personal branding and information security to strategies for limiting unconscious bias. A number of courses explored aspects of personal wellbeing including fitness, CPR, financial wellness, cultivating confidence and volunteering and serving on non-profit boards. The sessions were such successes that our office in Plano, Texas, followed suit. Several international markets are launching similar programs.
Having an inclusive and diverse culture is imperative in today’s world. We are a global company with diverse employees, customers and franchisees and maintain an unwavering commitment to promoting a company culture where all people are valued and respected.

One of our core values is to believe in all people, understanding that for our brands to remain relevant, we need everyone at the table in all aspects of our organization. That’s why we’re working to reflect the diversity of the communities in which employees live and work, embracing diversity’s potential to help us build brands that people trust and champion.

Yum! Brands is on a journey to ensure that inclusion and diversity, including gender equity, are integrated into all aspects of our business. Our goal is to build a culture that attracts, develops and retains diverse employees, franchisees and suppliers to drive global growth. Specifically, we aim to increase the number of women who hold senior leadership roles globally and increase representation of underrepresented minorities in our U.S. brands. We are also working to increase the multicultural competency of our existing corporate workforce through activities such as unconscious bias training and employee engagement through Employee Resource Groups (ERGs).

**LEADING INCLUSION FOR TODAY & TOMORROW (LIFT²)**

Oversight for diversity and inclusion at Yum! is managed at the highest levels with Leading Inclusion for Today & Tomorrow (LIFT²), a corporate diversity council led by CEO Greg Creed. The council meets twice a year and includes senior leaders from across Yum!, our brands, key franchisees and suppliers. LIFT²’s key objectives include:

- Demonstrating high-level commitment to diversity and inclusion
- Sharing diversity and inclusion best practices inside and outside our industry
- Identifying issues and opportunities through honest and robust dialogue
- Assisting with stakeholder engagement
- Promoting, protecting and supporting our people and brands

“At Yum!, diversity and inclusion are part of living and leading our culture, as well as key enablers to our success. We apply this cultural mindset to our people, our franchisees and our suppliers as we continuously work to reflect our ever-changing communities, customers and investors.”

JAMES FRIPP – Yum! Chief Diversity & Inclusion Officer
Employee Resource Groups

Yum!’s ERGs play a key role in driving a culture of diversity by providing networking, mentoring, educational workshops and leadership development opportunities across our system and the communities in which we do business. While each ERG has a specific focus area, all groups are open to all employees. ERGs vary by location, but examples include:

- **Yum! Era**: Yum!’s multi-cultural ERG advocates for inclusion in the workplace by providing cultural awareness education, connecting members with leadership, sharing customer insights and growing talent and leaders within the company.

- **g2**: g2 develops and connects young professionals throughout the Yum! family and the community.

- **Women in Networking (WIN)**: WIN members build community, leverage cross-functional knowledge, and identify and address barriers to growth. Quarterly events provide opportunities for development and learning.

- **Yum! Pride Network (YPN)**: YPN serves to engage and support lesbian, gay, bisexual, transgender and queer or questioning employees by communicating with employees, organizing events for members and attracting LGBTQ talent.

We engage with these groups in innovative ways. For example, Era members form focus groups to provide feedback on brands’ marketing materials. Their wide-ranging perspectives allow us to better connect with our customer base and avoid potential insensitivities. G2 has participated in think tanks for KFC U.S. dividing into teams and pitching potential new products to KFC U.S. senior leadership, who then explored opportunities to bring the concepts to life.

Partnerships & Recognition

Yum! Brands is committed to greater inclusion and diversity for all people and is a place where differences are sought out and celebrated. That’s why CEO Greg Creed signed onto the CEO Action for Diversity & Inclusion, a coalition of company CEOs committed to creating workplaces that not only have diverse representation, but are also places where employees are comfortable sharing their experiences and perspectives with one another.

We also established a target to advance more women into leadership and achieve gender parity in senior roles globally by 2030. Today, females account for 52 percent of our full-time and 58 percent of our part-time employees out of our approximately 60,000-member global workforce. This commitment aligns with the Paradigm for Parity coalition, a movement of Fortune 500 CEOs, senior business leaders and academics who are committed to achieving a new norm in corporate leadership: one in which women and men have equal power, status and opportunity. Additionally, we’re proud to lead our industry in creating opportunities for women at all levels of our business.

More than 20 years ago, Yum! became a founding member of the Women’s Foodservice Forum® (WFF), the industry’s leading organization to advance female talent. Yum! Chief Transformation & People Officer Tracy Skeans serves on WFF’s Board of Directors, and Yum! team members attend WFF’s Annual Leadership Development Conference. Other organizations in which Yum! has taken an active role include:

- 100,000 Opportunities Initiative
- Bloomberg Gender Equality Index
- The Consortium for Graduate Study in Management
- Human Rights Campaign® Corporate Equality Index
- International Franchise Association
- Multicultural Foodservice & Hospitality Alliance
- National Black MBA Association®
- Prospanica®

Based on our current employment statistics, policies, external community support and engagement and product offerings, Yum! was named to the 2018 Bloomberg Gender Equality Index.
**Franchise Diversity**

Yum! is dedicated to recruiting minority franchisees and is actively engaged in programs that support minority franchisee development, like the Latino Franchisee Symposium, a cross-industry franchisee recruiting event that we’ve hosted since 2015, bringing together more than 20 organizations. Since we began sponsoring the event three years ago, we’ve added nearly 50 Hispanic-owned restaurants to our system.

We helped develop and launch the International Franchise Association’s MinorityFran Program, an initiative that provides a one-stop point of access for minority prospects who are exploring franchise opportunities. The program is a partnership with the National Urban League, UnidosUS, the Association of Small Business Development Centers and the U.S. Pan Asian American Chamber of Commerce.

Yum! has also established a minority lending assistance program focused on aiding qualified prospective ethnic minority franchisees, with a particular emphasis on African American and Latino individuals, in their efforts to enter the KFC, Pizza Hut and Taco Bell systems.

**Supplier Diversity**

In partnership with our exclusive supply chain management organization, Restaurant Supply Chain Solutions, Yum! Brands has built a leading corporate supplier diversity program. We actively seek qualified diverse suppliers for all possible product and service needs and encourage our majority-owned suppliers to use diverse suppliers, subcontractors and distribution services.

Yum! welcomes certified diverse suppliers of the following designations:

- Minority-Owned Business Enterprise
- Woman-Owned Business Enterprise
- Lesbian-, Gay-, Bisexual-, Transgender- and/or Queer-Owned Business Enterprise
- Business Enterprise Owned by People with Disabilities
- Veteran-Owned Business Enterprise
- Disabled Veteran-Owned Business Enterprise
- Small Business Administration [8(a), SDB, HUBZone]
COMMUNITY & PHILANTHROPY
Making the World Better

Yum!, KFC, Pizza Hut and Taco Bell partner with employees and franchisees to unlock the potential of communities where employees work and live. We believe in giving back by sharing our time, talents and money.

Yum!’s major philanthropic focus areas — hunger relief, literacy and youth education — are united by a common thread of unlocking potential in all people. We recognize that when individuals’ basic needs are met, they can better achieve their goals and contribute to their communities — creating a continuous cycle of good.
Hunger Relief
Feeding People, Not Landfills

Yum!’s in the business of feeding people, so it makes sense that hunger relief is one of our key focus areas when it comes to supporting communities. The most visible way we do this is through the Harvest program, the world’s first prepared food donation program.

Since 1992, the Yum! system contributed more than 180 million pounds of food to more than 3,000 nonprofit organizations – a fair market value of more than $1 billion.

Instead of throwing away surplus food that is safe to eat, the Harvest program allows us to donate it to local hunger relief organizations in countries around the world. This delivers a triple benefit: Food stays out of landfills and prevents environmental impacts, thus reducing wasted resources, nonprofits benefit from the donations and our restaurants give back to local communities. In addition to our work with the Harvest program, and as part of our larger efforts to reduce food waste, Yum! also partners with FWRA and the ReFed advisory council.

Franchisee participation in Harvest is optional, and many have embraced the chance to limit waste and help their neighbors. Yum! encourages participation by sharing informational materials about Harvest and making it easy for franchisees to request additional support from our partners. One KFC franchisee who began participating in the Harvest program found that it not only strengthened their connections with the local community, but also simplified end-of-night operational routines. In three years across 29 participating restaurants, the franchisee provided more than 83,000 meals to people who would have otherwise gone hungry. The need to provide hunger relief is universal and the Harvest program is growing.

Business units in other parts of the world are finding other ways to make a difference. For example, KFC South Africa restaurants have a unique menu item: Add Hope. For just 2 South African Rand (approximately $.17 USD), customers can “add hope” to their orders. This contribution, along with donations from the KFC Foundation, goes to feed a child through one of 138 charities, feeding 120,000 children every day. Add Hope has raised 387 million Rand ($32 million USD) since 2009. In 2017, the program received a record high of 1.2 million Rand (nearly $90,000 USD) in donations in a single week. The milestone came after a month-long campaign to raise awareness about International World Hunger Day. Add Hope has spread to other countries where KFC operates. KFC India, which began taking part in the program in 2016, feeds more than 10,000 children daily and has pledged to provide 20 million meals by 2020.

Learn how Harvest benefits the environment.

Pizza Hut has partnered with the Harvest program continuously since 1992 and KFC began participating in 1999. In 2017, Pizza Hut reached a milestone of 100 million pounds of food donated to nonprofits in the communities it serves. Harvest continues to add participating KFC and Pizza Hut restaurants and expand to new geographies, now in 17 countries and growing. As Harvest grows, we work with countries to ensure Good Samaritan laws are in place that provide basic legal protection for people and organizations to assist others. These laws help maximize the number of restaurants that can participate, ensuring more food is available to those in need.

Harvest
KFC franchisee Jason Zakaras recently began participating in the Harvest program. See how the program is transforming his restaurants’ relationships with the community — and his employees.

Watch video

Add Hope
For Sinanziwe Ndlovu, losing her mother almost meant losing the chance to earn an education. Then, KFC added hope.

Watch video
Pizza Hut U.S. has been fostering a love of reading for more than 30 years through the BOOK IT! program. Since 1984, one in five Americans has participated in the free literacy program for schools. BOOK IT!, which runs from October through March of each school year, allows teachers to set monthly reading goals for their students. Students who meet their monthly goal are rewarded with a certificate for a free, one-topping Personal Pan Pizza and reading journal from Pizza Hut.

The basics of the program have stayed consistent for more than a generation, but BOOK IT! is getting an upgrade with innovative digital features that will be available to teachers and parents beginning in the 2018 – 2019 school year. A streamlined enrollment process and interactive dashboard will make it easier for teachers and parents to monitor children’s reading progress and celebrate their success with digital award certificates.

BOOK IT! reached 14 million kids in 620,000 classrooms in 2017, with plans to expand to 1 million classrooms by 2020. It’s a program with proven results: According to a recent study, former BOOK IT! participants are more likely to hold advanced degrees and earn higher wages than the general population. Most importantly, adults who went through the program as children are more likely to establish regular reading routines with their own kids.

While BOOK IT! has had widespread success, there are more opportunities to promote literacy in the U.S. and around the world. In 2016, Pizza Hut announced a commitment to expand on BOOK IT! with a new social impact campaign known as Pizza Hut: The Literacy Project. Through this effort, Pizza Hut has partnered with First Book to empower teachers with greater resources.

Pizza Hut restaurants now fundraise to support this effort. Money raised provides teachers with credits to the First Book Marketplace, which they can use to purchase books and other educational resources at deeply discounted rates. In the first year of the campaign, The Literacy Project reached 15.9 million people and distributed more than 275,000 books and educational resources in the U.S., Brazil, Canada, Costa Rica and South Africa. Additional countries and locations will be added throughout the campaign, with the goal of reaching 100 million people over 10 years.

Yum! believes that education is the key to unlocking a person’s full potential and recognizes that educational success is rooted in childhood reading skills.

**Literacy**

The Power of a Book

**Customer Donations Make a Difference**

$3 Buys a new book

$5 Provides school supplies

$10 Purchases a backpack of books

**THE LITERACY PROJECT**

Learn more about how Pizza Hut: The Literacy Project is unlocking potential through a love of reading.

Watch video
The Live Más Scholarship

$10 MILLION in Live Más Scholarship funding by 2022

$1-2 MILLION per year

440 RECIPIENTS 2016-2017

Both Taco Bell restaurant employees and customers are eligible to apply, and the Taco Bell Foundation recently added a renewal program to allow students to reapply for funding to further their education. The Live Más Scholarship not only helps fund educational dreams, but also creates practical mentoring opportunities outside the classroom. Scholarship recipients have learned from some of the best in their aspired industries, working behind the scenes with Taco Bell’s renowned social media and marketing teams at the MTV Video Music Awards, NBA All-Star Skills Challenge and Feed the Beat™ showcase in Austin, Texas.

In 2017, Taco Bell enlisted the first class of Live Más Scholarship recipients to help engage and support the next. Through the Feed a Dream promotion, for a limited time, every Doritos® Locos Taco sold in Taco Bell restaurants raised 10 cents for the Live Más Scholarship. To develop the campaign, scholarship recipients took part in a creative workshop in Chicago, where they worked side-by-side with veteran advertising and marketing creatives to formulate the campaign’s ad concept and script. Students were involved in the filming of the commercial in California, performing key jobs ranging from behind-the-scenes strategizing and set development to starring roles. They also created three taco packaging designs for use during the promotion.

This was more than a fundraiser, just as the Live Más Scholarship is more than financial support. By connecting recipients to a community of like-minded peers and professionals and providing real-world opportunities to practice their craft, Taco Bell and the Taco Bell Foundation are giving students and employees the chance to turn their dream jobs into reality.

See how the commercial was developed, directed and acted by recipients of Taco Bell’s Live Más Scholarship.

Watch video

Today’s youth are tomorrow’s business, political and community leaders – and the future leaders of our company.
Taco Bell Foundation’s other activities have a similar focus of helping young people to pursue career and educational pathways through financial literacy resources, mentorship and job skill experiences, college readiness programming, creative and social innovation experiences and direct financial assistance. Grantees may apply for funding by invitation only. The Foundation’s current partners include Boys & Girls Clubs of America, City Year AmeriCorps, Junior Achievement® and Moneythink.

**The Taco Bell Foundation**

$5 MILLION grants to youth-serving organizations in 2017

200,000 young people impacted

Pizza Hut, along with Taco Bell, is a member of the 100,000 Opportunities Initiative, which engages young people ages 16 to 24 who face systemic barriers to jobs and education in apprenticeships, internships, training programs and employment. Employers in the coalition agree to share best practices with others and learn from leading experts and research how to connect with this untapped population.

In line with this commitment, Pizza Hut recently hosted a group of high school juniors from Uplift Education for a career immersion day at its corporate headquarters. Employees across Pizza Hut guided scholars through various parts of the business, where they learned firsthand about the wide array of careers within the company. The students took part in career panels, an office tour, a pizza lunch and hands-on sessions with Pizza Hut employees.

Taco Bell team member Maurico Bejar wins a $10,000 Live Mas Scholarship from the Taco Bell Foundation.
In line with the transformation of our company, we have refreshed the Yum! Brands Foundation’s strategy to support what matters to employees. All Yum! Brands corporate employees in the U.S. can now help their favorite causes through:

- **Matching Gifts**: Yum! matches employee gifts, dollar-for-dollar, to approved nonprofit organizations up to $1,000.

- **Paid-time-off (PTO)**: Employees may take up to two days of PTO to volunteer for the cause of their choosing. This does not include group volunteer activities organized by Yum! Brands, which do not require PTO.

- **Support for Board Participation**: Employees who give their time, talent and money to serve on nonprofit boards can have their financial contributions matched depending on a number of criteria.

The Yum! Foundation

$350,000 in employee gifts matched

Nearly $300,000 provided for U.S. hurricane relief in 2017

The Yum! Foundation also prioritizes support for the community surrounding our global headquarters in Louisville, Ky. Yum! has allocated $600,000 in grant donations for each of three community partners: Dare to Care, Metro United Way™ and Fund for the Arts.

An important giving priority – which by its nature must be flexible and scalable – is expanding our capacity to support communities affected by natural disasters. In the spirit of giving back, Yum! Brands, our employees, franchisees and external partners have a tradition of assisting with national and global disaster relief efforts, providing hot meals, financial assistance, in-kind donations and time as needed. As disasters increase in frequency and severity worldwide, we are working with our brands to develop an improved response framework to allow for quick mobilization when tragedy strikes.

**THE KFC FAMILY FUND HELPS IN TIMES OF NEED**

The KFC Family Fund is a source of support for employees at participating KFC U.S. restaurants who have been directly impacted by a natural disaster, serious illness or other hardship. While money can’t eliminate the sorrow, it can hopefully lessen some of the added stress that often accompanies a crisis. For example, when torrential rains led to major flooding in West Virginia in 2016, KFC team member Donald Blake received funding to help repair his home. Since the KFC Family Fund’s launch in 2015, more than 350 KFC employees and their families have received more than $272,000 in temporary financial relief.
Yum! appreciates the work our employees do every day and is committed to building a workplace where our people can thrive.

We understand that our people will be at their best only when they and their families are healthy and secure, and when they have the freedom to enjoy all of the roles that they play, whether they are parents, caregivers or community volunteers.

Yum! and our franchisees offer restaurant employees a range of medical benefits, child care discounts, educational scholarships and tuition reimbursement, and gym discounts, as well as training and development opportunities.

Our corporate above-restaurant employees benefit from a total rewards package that includes wellness programs, flexible working hours, a generous 401(k) match and more. Highlights include:

### Health Care & Insurance
- Medical, dental and vision insurance
- Prescription drug coverage
- Life insurance
- Accident and disability insurance
- Flexible spending accounts
- On-demand remote medical care
- Autism support services as part of the medical plan

### Wellness
- On-site health and fitness center
- Fitness classes
- Dedicated personal trainers
- Weight management and nutrition programs
- Health assessments and screenings
- Company-sponsored recreational sports
- On-campus walking trail and basketball, volleyball and tennis courts
- On-site massage therapy
- Walking challenges

### Work/Life Benefits
- Bonus and incentive programs
- 401(k) with a 6 percent matching contribution from Yum! Brands
- Paid vacation
- Flexible hours
- Parental time-off
- Onsite child care
- Legal services
- Adoption assistance program
- Onsite concierge
- Identity fraud protection
ETHICS & HUMAN RIGHTS
Doing What’s Right

Yum! Brands’ success is built on the integrity and high ethical standards of our employees, a fact confirmed by our stakeholders in our materiality assessment. Our ethics and compliance program, based on our Global Code of Conduct, demands the highest ethical standards in all of our operations around the globe.

Our Global Code of Conduct is more than a document – it is the foundation for the way we conduct ourselves and do business throughout the world. It calls for the highest standards of ethical behavior from our Board members and all employees of Yum! Brands and its subsidiaries. Every year, our Board of Directors and Yum!’s 4,000 most senior employees must certify in writing that they have read and understand the Code and complete a conflicts of interest questionnaire. The Code is available online in seven languages and was most recently updated in 2018 to reflect our company’s transformation. Included as a supplement to our Global Code of Conduct is our International Anti-Corruption Policy. This policy applies to all directors, officers and employees of Yum!, as well as to our international agents, consultants, joint venture partners and any other third-party representatives acting on our behalf.

Beyond regularly reviewing the Global Code of Conduct, all company-owned restaurant employees are required to participate in annual compliance training. Different topics are covered each year, ranging from anticorruption to data security. Specific training areas and formats vary by brand and market.

We encourage employees to raise ethical concerns and provide multiple channels for them to do so safely and anonymously. An independent third party operates an ethics hotline, known as The Network, on our behalf. The Network is available 24/7 in more than 120 countries and territories. Once a call is received, the third party relays the information to Yum! management, who review every claim and investigate when necessary. The Audit Committee of our Board has established additional procedures for complaints and concerns of employees regarding accounting and auditing matters, including the confidential or anonymous submission of such complaints or concerns. More details on these procedures can be found here. Yum! has a strict policy against retaliation for good-faith reports, regardless of their ultimate veracity.

When it comes to interacting with one another, employees are expected to demonstrate mutual respect in all professional relationships. Sexual, racial, ethnic and religious or any other type of harassment, has no place in the Yum! Brands work environment. Harassment includes conduct such as slurs, jokes, intimidation or any other verbal or physical attack upon a person because of gender, sexual orientation, race, religion, national origin or other legally protected status of a person.

It is Yum!’s policy to deal fairly with employees; provide equal opportunity for all in recruiting, hiring, developing, promoting and compensating without regard to race, religion, color, age, gender, disability, genetic information, military or veteran status, sexual orientation, gender identity and/or expression, citizenship, national origin or other legally protected status; maintain a professional, safe and discrimination-free work environment; recognize and compensate employees based on their performance; and provide a competitive array of benefits.

Yum! maintains a work environment that respects and supports human rights for all of our employees around the world. This issue, along with Labor Practices, was identified as among our most material issues in our survey of stakeholders. Basic tenets of our human rights policy include:

- We do not employ underage children or forced laborers.
- We prohibit physical punishment and abuse.
- We respect the right of all employees to associate or not to associate with any group as permitted by applicable laws and regulations.
- We require compliance with all local labor laws in every market where we operate.
- We promote, protect and help to ensure the equal rights of all persons, including minorities, women and those with disabilities.
- We partner with stakeholders to collect input and help guide our human rights efforts.
Yum! holds the same expectations of ethical, legal and socially responsible business practices for its suppliers. Suppliers must abide by all applicable laws, codes or regulations regarding wages and benefits, worker’s compensation, working hours, equal opportunity, worker and product safety, and conflict minerals policies. Yum! Brands also expects that suppliers will conform their practices to the published standards for their industry.

Beyond these minimum standards, our Supplier Code of Conduct sets forth our expectations for suppliers and subcontractors. Topics covered include:

- **Working Hours & Conditions:** Suppliers are expected to provide their employees with safe and healthy working conditions and reasonable daily and weekly work schedules.

- **Nondiscrimination:** Suppliers should follow all laws prohibiting discrimination in hiring and employment on the grounds of race, color, religion, sex, age, physical disability, national origin, creed or any other basis prohibited by law.

- **Child Labor:** Suppliers should not use workers under the legal age for employment. In no event should suppliers use employees younger than 14 years of age.

- **Forced and Indentured Labor:** No supplier should perform work or produce goods for Yum! Brands using labor under any form of indentured servitude, nor should threats of violence, physical punishment, confinement or other form of physical, sexual, psychological or verbal harassment or abuse be used as a method of discipline or control.

- **Notification to Employees:** To the extent required by law, suppliers should establish companywide policies implementing the standards outlined in the Supplier Code of Conduct and post notices of those policies for their employees. The notices should be in all languages necessary to fully communicate the policy to employees.

We expect suppliers to review such requirements internally to verify compliance with the Code. In addition, we reserve the right to conduct unannounced assessments, audits and inspections of supplier facilities. To manage performance, audits of key suppliers are conducted annually, which include a review of the supplier's internal processes and site visits, as needed. Violations may lead to disciplinary action, including termination of the supplier relationship for repeated violations or noncompliance.