At Yum!, we’re committed to being a good corporate citizen. Our Global Citizenship & Sustainability strategy – called our **Recipe for Good** – reflects our priorities for socially responsible growth, risk management and sustainable stewardship of our **food, planet and people**. Sharing progress when it comes to our commitments is a key way to stay transparent on our sustainability journey.
We have an unwavering commitment to serving food people trust and giving our customers an industry-leading food supply from farm to fork. Listening to the people who love our brands lets us better understand their needs and what they want in regards to where our food comes from, what goes into it and how it’s made.

### Food Safety

**Goal:** Maintain the safest, highest-quality food supply and preparation in the industry.

**Status:** Provided restaurant team member training on employee health, product handling, ingredient and product management, and prevention of cross-contamination. Conducted more than 230,000 restaurant food safety audits between 2015 and 2017 with approximately 3,000 in 2017 alone.

### Choice & Nutrition

**Goal:** Be the preferred restaurant for consumers seeking delicious, balanced options by offering more choice, more transparency and nutritional improvements to our ingredients.

**Status:** Maintain industry-leading, safe, high-quality food supply and customer experience.

- **Remove artificial colors and flavors from core food ingredients by 2020.**
  - We estimate that we are currently 70% complete in achieving our goal of removing artificial flavors and 78% of removing artificial coloring from our food ingredients.

- **Offer 20 percent of meals consistent with one-third Recommended Daily Allowance (RDA) or foreign equivalents by 2020.**
  - Approximately 47% of restaurants have achieved our goal of offering 20% of meal options that are constant with one-third RDA or foreign equivalent.

- **Seek continuous improvements in the nutrition of our food that are aligned with the World Health Organization (WHO) to improve health and reduce chronic disease.**
  - In 2017 we measured that, with 58% of our global store count represented, 35% of food items are consistent with our 2017 Nutritional Guidelines across all three brands.

- **Remove all PHOs from ingredients by 2020.**
  - Based on the 2017 survey, with the results representing 75% of our global store count, we can report an estimated 97% of food items were free of partially hydrogenated oil.

- **Since 2008, Taco Bell has reduced sodium by 15 percent on average across the menu, the equivalent of 1.5 million pounds of salt removed each year from consumers’ diets. By 2025, Taco Bell will expand that commitment to an additional 10 percent, for a total of 25 percent sodium reduction across the menu and is well on its way to achieving this goal.**
  - Our work in this area is underway and we look forward to reporting results in the future.

- **By the end of 2018, Taco Bell will remove preservatives and other additives from its food, where possible.**
  - Our work in this area is underway and we look forward to reporting results in the future.

### Responsible Marketing

**Goal:** Promote transparency about our food through responsible labeling and advertising practices in our restaurants and beyond.

**Status:** Provide consumers with convenient access to food information regarding menu labeling and allergens.

- **Published online nutrition calculators for all three brands’ U.S. menus as well as provided consumers with convenient access to allergen and nutrition information.**

- **Limit marketing communications to children under 12.**
  - Followed U.S. and international guidelines to avoid marketing to children.
## Planet

We are focused on growing sustainably. Every day we open seven new restaurants and use it as an opportunity to think smarter and more sustainably about our building construction and supply chain. Our thousands of suppliers around the world are an extension of our brands and true partners in our journey.

### Green Buildings

- **Design, build and operate restaurants to be measurably more sustainable using green building standards to drive reductions in energy consumption, water use, greenhouse gas (GHG) emissions and waste.**
- **Reduce average restaurant energy and GHG emissions by an additional 10% by the end of 2025.**
  - **Goal:** Reduce average restaurant energy and GHG emissions by an additional 10% by the end of 2025.
  - **Status:** In 2017, we achieved our 22% reduction target in energy consumption, as compared to our 2005 baseline, for company owned and reporting franchise groups. We are working toward our updated goal reducing our average per restaurant greenhouse gas with renewed focus on energy conservation measures.
- **Reduce average restaurant water consumption by an additional 10% by the end of 2025 with a focus on high water-stress areas.**
  - **Goal:** Reduce average restaurant water consumption by an additional 10% by the end of 2025 with a focus on high water-stress areas.
  - **Status:** We achieved our 2017 target of a 10% reduction in water consumption, as compared to our 2005 baseline, for company owned and reporting franchise groups. We are working toward our updated goal reducing our average per restaurant water consumption.
- **Divert 50% of back-of-house operational waste, measured by weight, generated in our U.S. restaurants by the end of 2020.**
  - **Goal:** Divert 50% of back-of-house operational waste, measured by weight, generated in our U.S. restaurants by the end of 2020.
  - **Status:** In the U.S. we estimate that we removed 885,000 tons of solid material from our restaurants. We avoided disposal of 25% of that waste in 2017. Key areas of diversion in our restaurants were corrugated cardboard, used cooking oil, donated food and mixed recyclables.
- **Reduce FLW 50% by 2030 in accordance with US Food Loss and Waste 2030 Champions.**
  - **Goal:** Reduce FLW 50% by 2030 in accordance with US Food Loss and Waste 2030 Champions.
  - **Status:** Yum! Brands and our franchisees donated 6.9MM pounds of food in 2017.

### Supply Chain

- **Engage in building a responsible supply chain that protects forests, respects human rights, supports animal welfare and enables good antimicrobial stewardship.**
- **Source 100% of palm oil used for cooking from responsible and sustainable sources by the end of 2018.**
  - **Goal:** Source 100% of palm oil used for cooking from responsible and sustainable sources by the end of 2018.
  - **Status:** In 2017, 87% of our cooking oil volume was not palm oil or was sustainable palm oil. For the palm oil that our system purchased, approximately 80% of that volume was reported to be sustainable palm oil.
- **Purchase 100% of our paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2020.**
  - **Goal:** Purchase 100% of our paper-based packaging with fiber from responsibly managed forests and recycled sources by the end of 2020.
  - **Status:** In 2017, markets reported an estimated total of 69% of fiber came from certified virgin or recycled sources.
- **Seek continuous improvement and establish a reporting mechanism to demonstrate our ongoing commitment to sustainable production systems that protect human, animal and environmental health as stated in our holistic Sustainable Animal Protein Principles & Good Antimicrobial Stewardship Program.**
  - **Goal:** Seek continuous improvement and establish a reporting mechanism to demonstrate our ongoing commitment to sustainable production systems that protect human, animal and environmental health as stated in our holistic Sustainable Animal Protein Principles & Good Antimicrobial Stewardship Program.
  - **Status:** Began developing unified auditing systems and policies for poultry, beef and pork.
- **Continue our commitments in the U.S. to source chicken raised without antibiotics important to human medicine.**
  - **Goal:** Continue our commitments in the U.S. to source chicken raised without antibiotics important to human medicine.
  - **Status:** Published Sustainable Animal Protein Principles and Good Antimicrobial Stewardship policy and required our suppliers to minimize the use of antimicrobials important to human medicine. Taco Bell achieved this in 2017, KFC is working to meet this goal by 2018 and Pizza Hut U.S. has a target of 2022 for wings but has already met the goal for pizza toppings.
- **Serve 100% cage-free eggs at U.S. Taco Bell locations.**
  - **Goal:** Serve 100% cage-free eggs at U.S. Taco Bell locations.
  - **Status:** We have met this goal and will continue to provide eggs that are cage-free at Taco Bell locations in the U.S.
- **Source 100% cage-free egg ingredients at U.S. Taco Bell locations.**
  - **Goal:** Source 100% cage-free egg ingredients at U.S. Taco Bell locations.
  - **Status:** We have met this goal and will continue to use egg ingredients that are cage-free at Taco Bell locations in the U.S.
We unlock potential through our unrivaled culture and talent by helping our people grow and make a difference at work, home and in their communities. We also believe in being a diverse and inclusive organization that attracts, develops and retains the best employees, franchisees and suppliers to drive global growth.

<table>
<thead>
<tr>
<th>Culture &amp; Talent</th>
<th>Goals</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create a culture of engagement that attracts, retains and grows the best people and creates high performance in our restaurants.</td>
<td>Measure Yum! Brands’ employee engagement.</td>
<td>We are working to measure employee engagement.</td>
</tr>
<tr>
<td>Provide Yum! Brands’ employees with training and development that builds world-class leaders and business results.</td>
<td></td>
<td>Provided key programs in 2017 including Leading Culture to Fuel Results, with 95% participation for directors and above, for all leaders globally as well as Grow Yourself Week to educate corporate employees on personal and professional wellness. Brand-specific culture and leadership initiatives, including KFC’s Leading With Heart program, Pizza Hut’s Life Unboxed campaign and the Start With Us, Stay With Us platform at Taco Bell were launched.</td>
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<tr>
<th>Diversity &amp; Inclusion</th>
<th>Goals</th>
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<tbody>
<tr>
<td>Build an inclusive culture among our employees, franchisees and suppliers to reflect the diversity of our customers.</td>
<td>Minimize or eliminate unconscious bias through employee education.</td>
<td>Our work in this area is underway and we look forward to reporting results in the future.</td>
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<tr>
<td>Significant increase the number of women in senior leadership globally.</td>
<td></td>
<td>Aligned with the Paradigm for Parity®, a coalition of companies working to increase the number of women in senior operating roles.</td>
</tr>
<tr>
<td>Significant increase diverse representation of underrepresented minorities in U.S. brands.</td>
<td></td>
<td>Signed on to CEO Action for Diversity &amp; Inclusion™, a national coalition for workplace diversity.</td>
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<tr>
<td>Help ensure our workplaces are places where employees can have complex conversations about diversity and inclusion.</td>
<td></td>
<td>Updated global strategy for diversity and inclusion, leading to a new diversity council and public diversity commitments.</td>
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<th>Ethics &amp; Human Rights</th>
<th>Goals</th>
<th>Status</th>
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<tbody>
<tr>
<td>Hold our employees, franchisees and suppliers to the highest standards of professional and ethical conduct.</td>
<td>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).</td>
<td>Updated our Code of Conduct to reflect Yum! Brands’ transformation. Required our 2,000 most senior employees to complete a conflicts of interest questionnaire and certify that they have read our Code of Conduct and delivered annual compliance training to all company-owned restaurant employees.</td>
</tr>
<tr>
<td></td>
<td>Share successes and challenges with other companies.</td>
<td>Our work in this area is underway and we look forward to reporting results in the future.</td>
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<th>Community &amp; Philanthropy</th>
<th>Goals</th>
<th>Status</th>
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<tbody>
<tr>
<td>Support global initiatives related to hunger relief, literacy and youth education, and nonprofits near our hometown headquarters.</td>
<td>Donate food, funds, and time and talent to help local and global communities.</td>
<td>Our organization provided financial support, time and materials valued at $70 million in 2017 as well as donated 6.9 million pounds of food through our Harvest program.</td>
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