



Yum China Releases 2022 Sustainability Report

4/3/2023

SHANGHAI, April 3, 2023 /PRNewswire/ -- Yum China Holdings, Inc. (NYSE: YUMC and HKEX: 9987, "Yum China" or the "Company") today announced that it has published its 2022 Sustainability Report on March 31. This report outlines the progress the Company has made, as well as the commitments the Company is making, towards the Company's ESG goals in three focus areas: Environment, Food, and People.



"Yum China continued to make progress on its ESG commitments and priorities throughout the pandemic. We also stayed true to our purpose by supporting our employees, serving our customers effectively, and giving back to our communities," said Joey Wat, CEO of Yum China. "Although many uncertainties still lie ahead, I believe that with our key capabilities and competitive moats, Yum China is uniquely positioned to thrive both as a business and a responsible corporate citizen. We will continue to foster a culture of creativity and collaboration as we work towards our ESG goals with our partners."

Key highlights from this year's report include:

- **Supporting the transition to a low-carbon economy and contributing to a circular economy:** In 2022, the Company's science-based emissions reduction targets were approved by the Science Based Targets initiative (SBTi). This represents an important milestone in the Company's journey towards achieving net-zero value chain GHG emissions by 2050. The Company is committed to contributing to a circular economy by improving the efficient use of natural resources through initiatives to reduce, reuse, recycle and replace. In 2022, Yum China initiated pilot projects such as fueling its logistic fleets with biodiesel, and recycling packaging waste generated in daily operations.
- **Deepening efforts to offer safe and nutritious food to customers:** The Company continued to invest heavily in building an industry-leading, intelligent, digitalized food safety and quality management system. Utilizing AI, IoT, and real-time monitoring and analysis, the Company has established rigorous control measures across the value chain to ensure food safety and quality. In addition to offering customers safe and high-quality food, Yum China is committed to offering a wide range of nutritious choices to customers. The recently released Yum China Nutrition and Health Policy highlighted the Company's commitment to promoting balanced diets.
- **Firmly adhering to the 'People First' philosophy:** The Company provided job security to its employees even during tough times, refrained from layoffs, increased medical coverage for eligible staff and their families, and provided them with food and medical supplies during the pandemic related lockdowns. In 2022, the Company further upgraded its employee benefits plan and established the "Yum China Employee Mutual Aid Fund" to offer financial assistance to employees in need.
- **Serving the communities where we live and operate:** Through their heroic efforts during the pandemic, Yum China's employees continued to live out the Company's core values. In 2022, over 4 million hours of volunteer time was recorded to support local communities. Meanwhile, Yum China's flagship One Yuan Donation program celebrated its 15th anniversary. Through it, the Company contributes to poverty alleviation and rural revitalization by improving the diet and nutrition of children in remote areas and enhancing their access to digital education.

Yum China continues to receive recognition for its sustainability efforts and progress. The Company achieved a 'Top 1% Global ESG Score' in S&P Global' s Sustainability Yearbook 2023, the only company in the Restaurants & Leisure Facilities industry to receive this recognition.

The 2022 Sustainability Report, Yum China's sixth annual Sustainability Report, was prepared in accordance with global ESG and sustainability reporting guidelines and frameworks, including the Global Reporting Initiative (GRI), and Sustainability Accounting Standards Board (SASB). It also outlines Yum China's contributions to the United Nations Sustainable Development Goals (SDGs) to ensure the Company's efforts align with the 2030 Agenda.

To learn more about Yum China's ESG efforts, please visit: <http://www.yumchina.com/respindex>.

Read the full 2022 Sustainability Report [here](#).

Forward-Looking Statements

This press release contains "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," "aim," "plan," "estimate," "target," "predict," "project," "likely," "will," "continue," "should," "forecast," "outlook," "look forward to" or similar terminology. These statements are based on current estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable under the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Forward-looking statements are not guarantees of performance and are inherently subject to known and unknown risks and uncertainties that are difficult to predict and could cause our actual results or events to differ materially from those indicated by those statements. We cannot assure you that any of our expectations, estimates or assumptions will be achieved. The forward-looking statements included in this press release are only made as of the date of this press release, and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. You should consult our filings with the Securities and Exchange Commission (including the information set forth under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q) for additional detail about factors that could affect our financial and other results.

About Yum China Holdings, Inc.

Yum China is the largest restaurant company in China with a mission to make every life taste beautiful. The Company has over 400,000 employees and operates nearly 13,000 restaurants under six brands across 1,800 cities in China. KFC and Pizza Hut are the leading brands in the quick-service and casual dining restaurant spaces in China, respectively. Taco Bell offers innovative Mexican-inspired food. Yum China has also partnered with Lavazza to develop the Lavazza coffee shop concept in China. Little Sheep and Huang Ji Huang specialize in Chinese cuisine. Yum China has a world-class, digitalized supply chain which includes an extensive network of logistics centers nationwide and an in-house supply chain management system. Its strong digital capabilities and loyalty program enable the Company to reach customers faster and serve them better. Yum China is a Fortune 500 company with the vision to be the world's most innovative pioneer in the restaurant industry. For more information, please visit <http://ir.yumchina.com>.

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