



Yum China's Unwavering Commitment to ESG Highlighted in 2023 Sustainability Report

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SHANGHAI, April 10, 2024 /PRNewswire/ -- Yum China Holdings, Inc. (NYSE: YUMC and HKEX: 9987, "Yum China" or the "Company") today announced that it has published its seventh annual Sustainability Report. The report outlines the Company's achievements and ongoing progress towards its Environmental, Social and Governance (ESG) goals in four focus areas: Environment, Food, People, and Community.

Key highlights from the report include:

- In 2023, the Company inaugurated the **first 100% renewable energy cold-chain logistics center** in China. By integrating Distributed Photovoltaic (DPV) systems and Virtual Power Purchase Agreements (VPPA), Yum China has successfully transitioned over 70 restaurants and three logistics centers to utilize green electricity, achieving an annual renewable energy consumption of approximately 8,000 MWh. The Company also established the **'Yum China DPV and VPPA Alliance' in collaboration with 40 key suppliers**. This alliance enables supply chain partners to embrace renewable energy and join transformation.
- As part of its **nationwide coffee grounds recycling** initiative, the Company built five coffee grounds disposal centers across the country. Environmentally-friendly baskets and trays made with recycled coffee grounds are now being used at over 1,500 KFC restaurants in China, with plans for further expansion in coming years.
- Yum China began exploring the use of generative artificial intelligence in its **digital-enabled Food Safety Risk Assessment and Early Warning System**, enabling multidimensional assessment of potential food safety risks across the entire operation.
- The Company continued to improve its **'YUMC Care' benefits program** in 2023, further expanding medical and accident insurance coverage for eligible employees' family members. Yum China was once again named by the Top Employers Institute as a **Top Employer in China** for the sixth consecutive year.
- To date, **Yum China's One Yuan Donation** initiative has raised over RMB 260 million, contributing to poverty alleviation and rural revitalization by improving the diet and nutrition of children in rural areas and enhancing their access to digital education.
- Yum China provided over **RMB 3 million in financial assistance and tens of thousands of meals** to those affected by Typhoon Doksuri in July 2023 and the December 2023 Gansu earthquake.

"Ensuring that we grow sustainably is of paramount importance to us and to our business and is an essential part of creating long-term value for our shareholders" said Joey Wat, CEO of Yum China. "Working side by side with our customers, suppliers and the wider community, we are confident that we can set a leading example in our industry as an environmentally, ethically and socially responsible business."

Yum China continued to receive external recognition for its sustainability initiatives in 2023.

- The Company **ranked No.1 in the Restaurant & Leisure Facilities Industry** in S&P Global Corporate Sustainability Assessment (CSA) for the fourth consecutive year, and is the only company in the Restaurant & Leisure Facilities Industry to be awarded a **'Top 1% Global ESG Score'** in the S&P Global Sustainability Yearbook 2024.
- The Company also attained the **"AA" rating** in the MSCI ESG rating, the highest ranking in its industry.
- Additionally, Yum China joined the **United Nations Global Compact (UNGC)**, committing to operate responsibly based on the UNGC's ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption.

To learn more about Yum China's ESG efforts, please visit: <https://www.yumchina.com/sustainability/en/home/Index>

Read the full 2023 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 over 14,000 restaurants under six brands across 2,000 cities in China. KFC and Pizza Hut are the leading brands in the quick-service and casual dining restaurant spaces in China, respectively. In addition, Yum China has partnered with Lavazza to develop the Lavazza coffee concept in China. Little Sheep and Huang Ji Huang specialize in Chinese cuisine. Taco Bell offers innovative Mexican-inspired food. 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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