



Yum China to Further Upgrade Employee Benefits, Adding One Million Yuan Medical Insurance Coverage for Restaurant General Managers

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SHANGHAI, Nov. 25, 2021 /PRNewswire/ -- Yum China Holdings, Inc. (the "Company" or "Yum China", NYSE: YUMC and HKEX: 9987) announced at its 2021 Restaurant General Managers ("RGMs") Convention, held virtually, that it will offer enhanced medical insurance coverage of up to RMB 1 million to each of its approximately 10,000 RGMs. The Company will also increase critical illness insurance coverage for family members of qualified RGMs to RMB 200,000. As one of the most extensive employee benefits plans in the industry in terms of number of people covered, the newly upgraded benefits will be implemented from January 2022 and will build on existing initiatives including equity incentives, family insurance and housing subsidies.

The Company is also upgrading its "Family Care Fund" plan for the restaurant management team (RMT) and restaurant service team leaders, increasing critical illness insurance coverage under the plan to RMB 150,000, while offering access to certain expedited medical services for eligible employees and their family members. The newly upgraded benefits are expected to cover more than 60,000 RMT employees and their family members, as well as 26,000 restaurant service team leaders, helping them mitigate the financial risks brought about by critical illnesses.



"The Company is extremely grateful to our restaurant managers for their diligence and agility on the front lines of our restaurants, particularly while navigating the challenges of Covid-19. Thanks to their dedication, Yum China has been able to provide customers with uninterrupted access to meals and excellent service while also supporting the community through trying times," said Joey Wat, CEO of Yum China. "Employee satisfaction is the key to customer satisfaction. Therefore, it is the responsibility of our company to create a working environment for employees guided by our principle of Fair, Care and Pride, as well as taking steps to protect their families."



Yum China has always adhered to a "people-first" philosophy, ensuring that the health and wellbeing of employees is the Company's top priority. Additionally, the Company continues to increase investment in protecting the health of employees and their families. The upgraded medical insurance package for RGMs covers a wide range of mild and severe diseases, providing greater support against the challenge of high medical expenses.

In 2018, Yum China launched the "Family Care Program" for RGMs. In 2020, the Company launched the "Family Care Fund" for RMT employees, which entitles them to additional coverage for critical illness for their parents as well as additional accident insurance coverage for their children and spouses. This scheme goes beyond others in the market by increasing the age cap to 75 years for employees' parents and 22 years for their children. In December 2020, the fund was extended to also provide critical illness coverage to restaurant service team leaders.

The newly announced benefits upgrade is the latest manifestation of Yum China's long-standing commitment to its RGM No.1 corporate culture. The Company believes that RGMs are the most important leaders at Yum China and play a key role in the Company's long-term success. Yum China not only provides employees with competitive salaries and benefits, but also ensures that employees share in the Company's success. After becoming an independently listed company in 2016, Yum China announced that it would award RSUs valued at US\$2,000 to every qualified RGM. Following its secondary listing in Hong Kong in 2020, the Company awarded additional RSUs valued at US\$3,000 to eligible RGMs. Up to now, a total of 14,000 RGMs have received RSUs.

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 Holdings, Inc. is a licensee of Yum! Brands in mainland China. It has exclusive rights in mainland China to KFC, China's leading quick-service restaurant brand, Pizza Hut, the leading casual dining restaurant brand in China, and Taco Bell, a California-based restaurant chain serving innovative Mexican-inspired food. Yum China also owns the Little Sheep, Huang Ji Huang, East Dawning and COFFii & JOY concepts outright. In addition, Yum China has partnered with Lavazza to explore and develop the Lavazza coffee shop concept in China. The Company had 11,415 restaurants in over 1,600 cities at the end of September 2021. Yum China ranked # 363 on the Fortune 500 list and was named to TIME 100 Most Influential Companies list in 2021. Yum China has been selected as member of both Dow Jones Sustainability Indices (DJSI): World Index and Emerging Market Index. In 2021, Yum China was named to the Bloomberg Gender-Equality Index and was certified as a Top Employer 2021 in China by the Top Employers Institute, both for the third consecutive year. For more information, please visit <http://ir.yumchina.com>.

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