

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

(Mark One)

- ☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934** for the quarterly period ended March 31, 2024
- OR
- ☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 1-13163

YUM! BRANDS, INC.

(Exact name of registrant as specified in its charter)

North Carolina

(State or other jurisdiction of
incorporation or organization)

13-3951308

(I.R.S. Employer
Identification No.)

1441 Gardiner Lane, Louisville, Kentucky
(Address of principal executive offices)

40213
(Zip Code)

Registrant's telephone number, including area code: (502) 874-8300

Securities registered pursuant to Section 12(b) of the Act

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, no par value	YUM	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
Emerging Growth Company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the registrant's Common Stock as of May 1, 2024, was 281,632,212 shares.

YUM! BRANDS, INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

YUM! BRANDS, INC. AND SUBSIDIARIES

(in millions, except per share data)

	Quarter ended	
	3/31/2024	3/31/2023
Revenues		
Company sales	\$ 474	\$ 474
Franchise and property revenues	757	770
Franchise contributions for advertising and other services	367	401
Total revenues	1,598	1,645
Costs and Expenses, Net		
Company restaurant expenses	400	403
General and administrative expenses	286	282
Franchise and property expenses	31	36
Franchise advertising and other services expense	367	395
Refranchising (gain) loss	(5)	(4)
Other (income) expense	(1)	10
Total costs and expenses, net	1,078	1,122
Operating Profit	520	523
Investment (income) expense, net	22	24
Other pension (income) expense	(2)	(2)
Interest expense, net	117	130
Income Before Income Taxes	383	371
Income tax provision	69	71
Net Income	\$ 314	\$ 300
Basic Earnings Per Common Share	\$ 1.11	\$ 1.07
Diluted Earnings Per Common Share	\$ 1.10	\$ 1.05
Dividends Declared Per Common Share	\$ 0.67	\$ 0.605

See accompanying Notes to Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

YUM! BRANDS, INC. AND SUBSIDIARIES

(in millions)

	Quarter ended	
	3/31/2024	3/31/2023
Net Income	\$ 314	\$ 300
Other comprehensive income, net of tax		
Translation adjustments and gains (losses) from intra-entity transactions of a long-term investment nature		
Adjustments and gains (losses) arising during the period	(10)	8
Reclassification of adjustments and (gains) losses into Net Income	—	—
	(10)	8
Tax (expense) benefit	—	—
	(10)	8
Changes in pension and post-retirement benefits		
Unrealized gains (losses) arising during the period	—	—
Reclassification of (gains) losses into Net Income	—	—
	—	—
Tax (expense) benefit	—	(2)
	—	(2)
Changes in derivative instruments		
Unrealized gains (losses) arising during the period	12	(8)
Reclassification of (gains) losses into Net Income	(8)	(3)
	4	(11)
Tax (expense) benefit	(1)	3
	3	(8)
Other comprehensive income (loss), net of tax	(7)	(2)
Comprehensive Income	\$ 307	\$ 298

See accompanying Notes to Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

YUM! BRANDS, INC. AND SUBSIDIARIES

(in millions)

	Quarter ended	
	3/31/2024	3/31/2023
Cash Flows – Operating Activities		
Net Income	\$ 314	\$ 300
Depreciation and amortization	35	29
Refranchising (gain) loss	(5)	(4)
Investment (income) expense, net	22	24
Deferred income taxes	21	(4)
Share-based compensation expense	23	25
Changes in accounts and notes receivable	44	23
Changes in prepaid expenses and other current assets	(32)	(7)
Changes in accounts payable and other current liabilities	(66)	(101)
Changes in income taxes payable	(26)	28
Other, net	33	36
Net Cash Provided by Operating Activities	363	349
Cash Flows – Investing Activities		
Capital spending	(49)	(62)
Proceeds from the sale of Devyani International Limited common stock	104	—
Proceeds from refranchising of restaurants	11	5
Other, net	(21)	1
Net Cash Provided by (Used in) Investing Activities	45	(56)
Cash Flows – Financing Activities		
Repayments of long-term debt	(10)	(20)
Revolving credit facility, three months or less, net	—	(85)
Repurchase shares of Common Stock	—	(50)
Dividends paid on Common Stock	(189)	(169)
Other, net	(48)	(10)
Net Cash Used in Financing Activities	(247)	(334)
Effect of Exchange Rates on Cash and Cash Equivalents	(7)	3
Net Increase (Decrease) in Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents	154	(38)
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents - Beginning of Period	724	647
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents - End of Period	\$ 878	\$ 609

See accompanying Notes to Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

YUM! BRANDS, INC. AND SUBSIDIARIES

(in millions)

	(Unaudited)	
	3/31/2024	12/31/2023
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 652	\$ 512
Accounts and notes receivable, net	686	737
Prepaid expenses and other current assets	436	360
Total Current Assets	1,774	1,609
Property, plant and equipment, net	1,190	1,197
Goodwill	641	642
Intangible assets, net	370	377
Other assets	1,228	1,361
Deferred income taxes	1,021	1,045
Total Assets	\$ 6,224	\$ 6,231
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and other current liabilities	\$ 1,095	\$ 1,169
Income taxes payable	35	55
Short-term borrowings	58	53
Total Current Liabilities	1,188	1,277
Long-term debt	11,130	11,142
Other liabilities and deferred credits	1,662	1,670
Total Liabilities	13,980	14,089
Shareholders' Deficit		
Common Stock, no par value, 750 shares authorized; 281 shares issued in 2024 and 2023	45	60
Accumulated deficit	(7,492)	(7,616)
Accumulated other comprehensive loss	(309)	(302)
Total Shareholders' Deficit	(7,756)	(7,858)
Total Liabilities and Shareholders' Deficit	\$ 6,224	\$ 6,231

See accompanying Notes to Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' DEFICIT (Unaudited)

YUM! BRANDS, INC. AND SUBSIDIARIES

Quarters ended March 31, 2024 and 2023

(in millions)

	Yum! Brands, Inc.				
	Issued Common Stock			Accumulated	Total Shareholders'
	Shares	Amount	Accumulated Deficit	Other Comprehensive Loss	Deficit
Balance at December 31, 2023	281	\$ 60	\$ (7,616)	\$ (302)	\$ (7,858)
Net Income			314		314
Translation adjustments and gains (losses) from intra-entity transactions of a long-term investment nature				(10)	(10)
Pension and post-retirement benefit plans				—	—
Net gain on derivative instruments (net of tax impact of \$ 1 million)				3	3
Comprehensive Income					307
Dividends declared			(190)		(190)
Repurchase of shares of Common Stock	—	—	—		—
Employee share-based award exercises	—	(47)			(47)
Share-based compensation events		32			32
Balance at March 31, 2024	281	\$ 45	\$ (7,492)	\$ (309)	\$ (7,756)
Balance at December 31, 2022	280	\$ —	\$ (8,507)	\$ (369)	\$ (8,876)
Net Income			300		300
Translation adjustments and gains (losses) from intra-entity transactions of a long-term investment nature				8	8
Pension and post-retirement benefit plans (net of tax impact of \$ 2 million)				(2)	(2)
Net loss on derivative instruments (net of tax impact of \$ 3 million)				(8)	(8)
Comprehensive Income					298
Dividends declared			(170)		(170)
Repurchase of shares of Common Stock	—	(24)	(26)		(50)
Employee share-based award exercises	—	(10)			(10)
Share-based compensation events		34			34
Balance at March 31, 2023	280	\$ —	\$ (8,403)	\$ (371)	\$ (8,774)

See accompanying Notes to Condensed Consolidated Financial Statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

(Tabular amounts in millions, except per share data)

Note 1 - Financial Statement Presentation

We have prepared our accompanying unaudited Condensed Consolidated Financial Statements ("Financial Statements") in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial information. Accordingly, they do not include all of the information and footnotes required by Generally Accepted Accounting Principles in the United States ("GAAP") for complete financial statements. Therefore, we suggest that the accompanying Financial Statements be read in conjunction with the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 ("2023 Form 10-K").

Yum! Brands, Inc. and its Subsidiaries (collectively referred to herein as the "Company," "YUM," "we," "us" or "our") franchise or operate a system of over 59,000 restaurants in more than 155 countries and territories. As of March 31, 2024, 98% of these restaurants were owned and operated by franchisees. The Company's KFC, Taco Bell and Pizza Hut brands are global leaders of the chicken, Mexican-style and pizza categories, respectively. The Habit Burger Grill is a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches and more.

As of March 31, 2024, YUM consisted of four operating segments:

- The KFC Division which includes our worldwide operations of the KFC concept
- The Taco Bell Division which includes our worldwide operations of the Taco Bell concept
- The Pizza Hut Division which includes our worldwide operations of the Pizza Hut concept
- The Habit Burger Grill Division which includes our worldwide operations of the Habit Burger Grill concept

YUM's fiscal year begins on January 1 and ends December 31 of each year, with each quarter comprised of three months. The majority of our U.S. subsidiaries and certain international subsidiaries operate on a weekly periodic calendar where the first three quarters of each fiscal year consist of 12 weeks and the fourth quarter consists of 16 weeks in fiscal years with 52 weeks and 17 weeks in fiscal years with 53 weeks. For subsidiaries that operate on this weekly periodic calendar, 2024 will include a 53rd week. Our remaining international subsidiaries operate on a monthly calendar similar to that on which YUM operates.

Our preparation of the accompanying Financial Statements in conformity with GAAP requires us to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

The accompanying Financial Statements include all normal and recurring adjustments considered necessary to present fairly, when read in conjunction with our 2023 Form 10-K, the results of the interim periods presented. Our results of operations, comprehensive income, cash flows and changes in shareholders' deficit for these interim periods are not necessarily indicative of the results to be expected for the full year.

Our significant interim accounting policies include the recognition of advertising and marketing costs, generally in proportion to revenue, and the recognition of income taxes using an estimated annual effective tax rate.

We have reclassified certain items in the Financial Statements for the prior periods to be comparable with the classification for the quarter ended March 31, 2024. These reclassifications had no effect on previously reported Net Income.

Note 2 - Earnings Per Common Share ("EPS")

	Quarter ended	
	2024	2023
Net Income	\$ 314	\$ 300
Weighted-average common shares outstanding (for basic calculation)	282	281
Effect of dilutive share-based employee compensation	4	4
Weighted-average common and dilutive potential common shares outstanding (for diluted calculation)	286	285
Basic EPS	\$ 1.11	\$ 1.07
Diluted EPS	\$ 1.10	\$ 1.05
Unexercised employee SARs, RSUs, PSUs and stock options (in millions) excluded from the diluted EPS computation ^(a)	1.7	1.5

(a) These unexercised employee stock appreciation rights ("SARs"), restricted stock units ("RSUs"), performance share units ("PSUs") and stock options were not included in the computation of diluted EPS because to do so would have been antidilutive for the periods presented.

Note 3 - Shareholders' Deficit

Under the authority of our Board of Directors, we repurchased shares of our Common Stock during the quarters ended March 31, 2024 and 2023 as indicated below. All amounts exclude applicable transaction fees.

Authorization Date	Shares Repurchased (thousands)		Dollar Value of Shares Repurchased		Remaining Dollar Value of Shares that may be Repurchased
	2024	2023	2024	2023	2024
September 2022	—	387	—	50	1,700
Total	—	387	\$ —	\$ 50	\$ 1,700

In September 2022, our Board of Directors authorized share repurchases of up to \$ 2 billion (excluding applicable transaction fees) of our outstanding Common Stock through June 30, 2024. As of March 31, 2024, we have remaining capacity to repurchase up to \$1.7 billion of Common Stock under the September 2022 authorization.

Changes in Accumulated other comprehensive loss ("AOCI") are presented below.

	Translation Adjustments and Gains (Losses) From Intra-Entity Transactions of a Long-Term Nature	Pension and Post- Retirement Benefits	Derivative Instruments	Total
Balance at December 31, 2023, net of tax	\$ (201)	\$ (104)	\$ 3	\$ (302)
OCI, net of tax				
Gains (losses) arising during the period classified into AOCI, net of tax	(10)	—	9	(1)
(Gains) losses reclassified from AOCI, net of tax	—	—	(6)	(6)
	(10)	—	3	(7)
Balance at March 31, 2024, net of tax	\$ (211)	\$ (104)	\$ 6	\$ (309)

Note 4 - Other (Income) Expense

	Quarter ended	
	3/31/2024	3/31/2023
Foreign exchange net (gain) loss	\$ 5	\$ 3
Impairment and closure expense	—	1
Other	(6)	6
Other (income) expense	\$ (1)	\$ 10

Note 5 - Supplemental Balance Sheet Information

Accounts and Notes Receivable, net

The Company's receivables are primarily generated from ongoing business relationships with our franchisees as a result of franchise and lease agreements. Trade receivables consisting of royalties from franchisees are generally due within 30 days of the period in which the corresponding sales occur and are classified as Accounts and notes receivable, net in our Condensed Consolidated Balance Sheets. Accounts and notes receivable, net also includes receivables generated from advertising cooperatives that we consolidate.

	3/31/2024	12/31/2023
Accounts and notes receivable, gross	\$ 741	\$ 776
Allowance for doubtful accounts	(55)	(39)
Accounts and notes receivable, net	\$ 686	\$ 737

Property, Plant and Equipment, net

	3/31/2024	12/31/2023
Property, plant and equipment, gross	\$ 2,536	\$ 2,529
Accumulated depreciation and amortization	(1,346)	(1,332)
Property, plant and equipment, net	\$ 1,190	\$ 1,197

<u>Other Assets</u>	<u>3/31/2024</u>	<u>12/31/2023</u>
Operating lease right-of-use assets ^(a)	\$ 755	\$ 764
Franchise incentives	180	175
Investment in Devyani International Limited (See Note 12)	—	124
Other	293	298
Other assets	<u>\$ 1,228</u>	<u>\$ 1,361</u>

(a) Non-current operating lease liabilities of \$748 million and \$757 million as of March 31, 2024 and December 31, 2023, respectively, are included in Other liabilities and deferred credits in our Condensed Consolidated Balance Sheets.

Reconciliation of Cash and Cash Equivalents for Condensed Consolidated Statements of Cash Flows

	<u>3/31/2024</u>	<u>12/31/2023</u>
Cash and cash equivalents as presented in Condensed Consolidated Balance Sheets	\$ 652	\$ 512
Restricted cash included in Prepaid expenses and other current assets ^(a)	191	177
Restricted cash and restricted cash equivalents included in Other assets ^(b)	35	35
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents as presented in Condensed Consolidated Statements of Cash Flows	<u>\$ 878</u>	<u>\$ 724</u>

(a) Restricted cash within Prepaid expenses and other current assets primarily reflects the cash related to advertising cooperatives which we consolidate that can only be used to settle obligations of the respective cooperatives and cash held in reserve for Taco Bell Securitization interest payments.

(b) Primarily trust accounts related to our self-insurance program.

Note 6 - Income Taxes

	<u>Quarter ended</u>	
	<u>2024</u>	<u>2023</u>
Income tax provision	\$ 69	\$ 71
Effective tax rate	18.0 %	19.1 %

Our estimated effective tax rate for the full fiscal year is expected to be higher than the U.S. federal statutory rate of 21%, primarily due to state income taxes and U.S. taxes on foreign earnings partially offset by taxes on income earned in foreign jurisdictions with statutory tax rates below 21%.

The first quarter effective tax rate was lower than the prior year primarily due to favorable developments in the current quarter related to uncertain tax positions as well as favorability associated with higher tax deductions for share-based compensation, partially offset by higher taxes paid in foreign jurisdictions where our intellectual property rights are domiciled.

Note 7 - Revenue Recognition

Disaggregation of Total Revenues

The following tables disaggregate revenue by Concept, for our two most significant markets based on Operating Profit and for all other markets. We believe this disaggregation best reflects the extent to which the nature, amount, timing and uncertainty of our revenues and cash flows are impacted by economic factors.

Quarter ended 3/31/2024					
	KFC Division	Taco Bell Division	Pizza Hut Division	Habit Burger Grill Division	Total
U.S.					
Company sales	\$ 14	\$ 240	\$ 2	\$ 127	\$ 383
Franchise revenues	43	188	68	1	300
Property revenues	3	9	1	1	14
Franchise contributions for advertising and other services	10	146	73	1	230
China					
Franchise revenues	68	—	17	—	85
Other					
Company sales	91	—	—	—	91
Franchise revenues	272	13	62	—	347
Property revenues	11	—	—	—	11
Franchise contributions for advertising and other services	120	2	15	—	137
	<u>\$ 632</u>	<u>\$ 598</u>	<u>\$ 238</u>	<u>\$ 130</u>	<u>\$ 1,598</u>

Quarter ended 3/31/2023					
	KFC Division	Taco Bell Division	Pizza Hut Division	Habit Burger Grill Division	Total
U.S.					
Company sales	\$ 16	\$ 229	\$ 5	\$ 130	\$ 380
Franchise revenues	46	178	70	1	295
Property revenues	3	10	1	1	15
Franchise contributions for advertising and other services	8	140	78	—	226
China					
Franchise revenues	66	—	18	—	84
Other					
Company sales	94	—	—	—	94
Franchise revenues	284	13	66	—	363
Property revenues	13	—	—	—	13
Franchise contributions for advertising and other services	157	2	16	—	175
	<u>\$ 687</u>	<u>\$ 572</u>	<u>\$ 254</u>	<u>\$ 132</u>	<u>\$ 1,645</u>

Contract Liabilities

Our contract liabilities are comprised of unamortized upfront fees received from franchisees and are presented within Accounts payable and other current liabilities and Other liabilities and deferred credits in our Condensed Consolidated Balance Sheets. A summary of significant changes to the contract liability balance during 2024 is presented below.

	Deferred Franchise Fees
Balance at December 31, 2023	\$ 444
Revenue recognized that was included in unamortized upfront fees received from franchisees at the beginning of the period	(20)
Increase for upfront fees associated with contracts that became effective during the period, net of amounts recognized as revenue during the period	19
Other ^(a)	(3)
Balance at March 31, 2024	\$ 440

(a) Primarily includes impact of foreign currency translation.

We expect to recognize contract liabilities as revenue over the remaining term of the associated franchise agreement as follows:

Less than 1 year	\$ 72
1 - 2 years	65
2 - 3 years	59
3 - 4 years	53
4 - 5 years	44
Thereafter	147
Total	\$ 440

Note 8 - Reportable Operating Segments

We identify our operating segments based on management responsibility. The following tables summarize Revenues and Operating Profit for each of our reportable operating segments:

	Quarter ended	
	2024	2023
Revenues		
KFC Division	\$ 632	\$ 687
Taco Bell Division	598	572
Pizza Hut Division	238	254
Habit Burger Grill Division	130	132
	\$ 1,598	\$ 1,645

	Quarter ended	
	2024	2023
Operating Profit		
KFC Division	\$ 313	\$ 305
Taco Bell Division	208	204
Pizza Hut Division	93	104
Habit Burger Grill Division	(5)	(5)
Corporate and unallocated G&A expenses	(89)	(84)
Unallocated Franchise and property income (expenses)	—	(1)
Unallocated Refranchising gain (loss)	5	4
Unallocated Other income (expense)	(5)	(4)
Operating Profit	\$ 520	\$ 523
Investment income (expense), net ^(a)	(22)	(24)
Other pension income (expense)	2	2
Interest expense, net	(117)	(130)
Income before income taxes	\$ 383	\$ 371

Our chief operating decision maker ("CODM") does not consider the impact of Corporate and unallocated amounts when assessing Divisional segment performance. As such, we do not allocate such amounts to our Divisional segments for performance reporting purposes.

(a) Includes changes in the value of our investment in Devyani International Limited (see Note 12).

Note 9 - Pension Benefits

We sponsor qualified and supplemental (non-qualified) noncontributory defined benefit pension plans covering certain full-time salaried and hourly U.S. employees. The most significant of these plans, the YUM Retirement Plan (the "Plan"), is qualified and funded. We fund our other U.S. plans as benefits are paid. Our two significant U.S. plans, including the Plan and a supplemental plan, were previously amended such that any salaried employee hired or rehired by YUM after September 30, 2001, is not eligible to participate in those plans. Additionally, these two plans in the U.S. are currently closed to new hourly participants.

The components of net periodic benefit cost associated with our U.S. pension plans are as follows:

	Quarter ended	
	2024	2023
Service cost	\$ 1	\$ 1
Interest cost	11	10
Expected return on plan assets	(13)	(12)
Net periodic benefit cost (income)	<u>\$ (1)</u>	<u>\$ (1)</u>

Note 10 - Short-term Borrowings and Long-term Debt

Short-term Borrowings

	3/31/2024	12/31/2023
Current maturities of long-term debt	\$ 61	\$ 56
Less current portion of debt issuance costs and discounts	(3)	(3)
Short-term borrowings	<u>\$ 58</u>	<u>\$ 53</u>

Long-term Debt

Securitization Notes	\$ 3,743	\$ 3,743
Subsidiary Senior Unsecured Notes	750	750
Revolving Facility	—	—
Term Loan A Facility	713	717
Term Loan B Facility	1,455	1,459
YUM Senior Unsecured Notes	4,550	4,550
Finance lease obligations	49	50
	<u>\$ 11,260</u>	<u>\$ 11,269</u>
Less long-term portion of debt issuance costs and discounts	(69)	(71)
Less current maturities of long-term debt	(61)	(56)
Long-term debt	<u>\$ 11,130</u>	<u>\$ 11,142</u>

Details of our Short-term borrowings and Long-term debt as of December 31, 2023 can be found within our 2023 Form 10-K.

Subsequent to the first quarter, on April 26, 2024, KFC Holding Co., Pizza Hut Holdings, LLC and Taco Bell of America, LLC (collectively, the "Borrowers"), each of which is a wholly-owned subsidiary of the Company, completed the refinancing of the then outstanding \$713 million under the Term Loan A Facility and \$1.25 billion capacity under the Revolving Facility through the issuance of a \$500 million term loan A facility and a \$1.5 billion revolving facility pursuant to an amendment to the Credit Agreement (as defined in our 2023 Form 10-K). The transaction did not add any additional net new debt to the Company's Balance Sheet. The new term loan A facility and the revolving facility will mature on the earliest of (i) April 26, 2029, (ii) the date that is 91 days prior to the March 15, 2028 maturity of the Borrowers' existing Term Loan B Facility if more than \$250

million of such Term Loan B remains outstanding as of such date and (iii) the date that is 91 days prior to the June 1, 2027 maturity of the Borrowers' existing Subsidiary Senior Unsecured Notes if more than \$250 million of such Subsidiary Senior Unsecured Notes remains outstanding as of such date. Further, the Amendment removes the excess cash flow mandatory prepayment requirement with respect to the new term loan A facility. All other material provisions of the Credit Agreement remain unchanged.

Cash paid for interest during the quarter ended March 31, 2024, was \$ 101 million. Cash paid for interest during the quarter ended March 31, 2023 was \$104 million.

Note 11 - Derivative Instruments

We use derivative instruments to manage certain of our market risks related to fluctuations in interest rates and foreign currency exchange rates. Our use of foreign currency contracts to manage foreign currency exchange rates associated with certain foreign currency denominated intercompany receivables and payables is currently not significant.

Interest Rate Swaps

We have entered into interest rate swaps, with the objective of reducing our exposure to interest rate risk for a portion of our variable-rate debt interest payments primarily under our Term Loan B Facility. At both March 31, 2024 and December 31, 2023, we had interest rate swaps expiring in March 2025 with notional amounts of \$1.5 billion. These interest rate swaps have been designated cash flow hedges as the changes in the future cash flows of the swaps are expected to offset changes in expected future interest payments on the related variable-rate debt. There were no other interest rate swaps outstanding as of March 31, 2024 or December 31, 2023.

Gains or losses on the interest rate swaps are reported as a component of AOCI and reclassified into Interest expense, net in our Condensed Consolidated Statements of Income in the same period or periods during which the related hedged interest payments affect earnings. Through March 31, 2024, the swaps were highly effective cash flow hedges.

Gains and losses on these interest rate swaps recognized in OCI and reclassifications from AOCI into Net Income were as follows:

	Quarter ended			
	Gains/(Losses) Recognized in OCI		(Gains)/Losses Reclassified from AOCI into Net Income	
	2024	2023	2024	2023
Interest rate swaps	\$ 11	\$ (7)	\$ (9)	\$ (5)
Income tax benefit/(expense)	(3)	2	2	1

As of March 31, 2024, the estimated net gain included in AOCI related to our cash flow hedges that will be reclassified into earnings in the next 12 months is \$28 million, based on current Secured Overnight Financing Rate ("SOFR") interest rates.

Total Return Swaps

We have entered into total return swap derivative contracts, with the objective of reducing our exposure to market-driven changes in certain of the liabilities associated with compensation deferrals into our Executive Income Deferral ("EID") plan. While these total return swaps represent economic hedges, we have not designated them as hedges for accounting purposes. As a result, the changes in the fair value of these derivatives are recognized immediately in earnings within General and administrative expenses in our Condensed Consolidated Statements of Income largely offsetting the changes in the associated EID liabilities. The fair value associated with the total return swaps as of both March 31, 2024 and December 31, 2023, was not significant.

As a result of the use of derivative instruments, the Company is exposed to risk that the counterparties will fail to meet their contractual obligations. To mitigate the counterparty credit risk, we only enter into contracts with major financial institutions carefully selected based upon their credit ratings and other factors, and continually assess the creditworthiness of counterparties. At March 31, 2024, all of the counterparties to our derivative instruments had investment grade ratings

according to the three major ratings agencies. To date, all counterparties have performed in accordance with their contractual obligations.

See Note 12 for the fair value of our derivative assets and liabilities.

Note 12 - Fair Value Disclosures

As of March 31, 2024, the carrying values of cash and cash equivalents, restricted cash, short-term investments, accounts receivable, short-term borrowings and accounts payable approximated their fair values because of the short-term nature of these instruments. The fair value of our notes receivable, net of allowances, and lease guarantees, less reserves for expected losses, approximates their carrying value. The following table presents the carrying value and estimated fair value of the Company's debt obligations:

	3/31/2024		12/31/2023	
	Carrying Value	Fair Value (Level 2)	Carrying Value	Fair Value (Level 2)
Securitization Notes ^(a)	\$ 3,743	\$ 3,423	\$ 3,743	\$ 3,391
Subsidiary Senior Unsecured Notes ^(b)	750	742	750	742
Term Loan A Facility ^(b)	713	709	717	716
Term Loan B Facility ^(b)	1,455	1,460	1,459	1,466
YUM Senior Unsecured Notes ^(b)	4,550	4,361	4,550	4,439

(a) We estimated the fair value of the Securitization Notes using market quotes and calculations. The markets in which the Securitization Notes trade are not considered active markets.

(b) We estimated the fair value of the YUM and Subsidiary Senior Unsecured Notes, Term Loan A Facility and Term Loan B Facility using market quotes and calculations based on market rates.

Recurring Fair Value Measurements

The Company has interest rate swaps and other investments, all of which are required to be measured at fair value on a recurring basis (see Note 11 for discussion regarding derivative instruments). The following table presents fair values for those assets and liabilities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the measurements fall.

Condensed Consolidated Balance Sheet			Fair Value	
			3/31/2024	12/31/2023
Assets				
Investments	Other assets	1	\$ 1	\$ 125
Investments	Other assets	3	7	7
Interest Rate Swaps	Prepaid expenses and other current assets	2	28	24
Interest Rate Swaps	Other assets	2	—	2

The fair value of the Company's interest rate swaps were determined based on the present value of expected future cash flows considering the risks involved, including nonperformance risk, and using discount rates appropriate for the duration based on observable inputs.

Investments as of December 31, 2023, primarily included our approximate 5% minority interest in Devyani International Limited ("Devyani"), a franchise entity that operates KFC and Pizza Hut restaurants in India, with a fair value of \$124 million. During the quarter ended March 31, 2024, we sold our ownership interest in Devyani for pre-tax proceeds of \$104 million and recognized pre-tax investment losses of \$ 20 million related to changes in fair value during the quarter prior to the date of sale.

Note 13 - Contingencies

Internal Revenue Service Proposed Adjustment

As a result of an audit by the Internal Revenue Service ("IRS") for fiscal years 2013 through 2015, in August 2022, we received a Revenue Agent's Report ("RAR") from the IRS asserting an underpayment of tax of \$2.1 billion plus \$418 million in penalties for the 2014 fiscal year. Additionally, interest on the underpayment is estimated to be approximately \$1.2 billion through the first quarter of 2024. The proposed underpayment relates primarily to a series of reorganizations we undertook during that year in connection with the business realignment of our corporate and management reporting structure along brand lines. The IRS asserts that these transactions resulted in taxable distributions of approximately \$6.0 billion.

We disagree with the IRS's position as asserted in the RAR and intend to contest that position vigorously. In September 2022, we filed a Protest with the IRS Examination Division disputing on multiple grounds the proposed underpayment of tax and penalties. We have received the IRS Examination Division's Rebuttal to our Protest and the case has been accepted by the IRS Office of Appeals.

The Company does not expect resolution of this matter within twelve months and cannot predict with certainty the timing of such resolution. The Company believes that it is more likely than not the Company's tax position will be sustained; therefore, no reserve is recorded with respect to this matter.

An unfavorable resolution of this matter could have a material, adverse impact on our Condensed Consolidated Financial Statements in future periods.

Lease Guarantees

As a result of having assigned our interest in obligations under real estate leases as a condition to the refranchising of certain Company-owned restaurants, and guaranteeing certain other leases, we are frequently secondarily liable on lease agreements. These leases have varying terms, the latest of which expires in 2065. As of March 31, 2024, the potential amount of undiscounted payments we could be required to make in the event of non-payment by the primary lessee was approximately \$375 million. The present value of these potential payments discounted at our pre-tax cost of debt at March 31, 2024, was approximately \$300 million. Our franchisees are the primary lessees under the vast majority of these leases. We generally have cross-default provisions with these franchisees that would put them in default of their franchise agreement in the event of non-payment under the lease. We believe these cross-default provisions significantly reduce the risk that we will be required to make payments under these leases, although such risk may not be reduced in the context of a bankruptcy or other similar restructuring of a large franchisee or group of franchisees. The liability recorded for our expected losses under such leases as of March 31, 2024, was not material.

Legal Proceedings

We are subject to various claims and contingencies related to lawsuits, real estate, environmental and other matters arising in the normal course of business. An accrual is recorded with respect to claims or contingencies for which a loss is determined to be probable and reasonably estimable.

India Regulatory Matter

Yum! Restaurants India Private Limited ("YRIPL"), a YUM subsidiary that operates KFC and Pizza Hut restaurants in India, is the subject of a regulatory enforcement action in India (the "Action"). The Action alleges, among other things, that KFC International Holdings, Inc. and Pizza Hut International failed to satisfy certain conditions imposed by the Secretariat for Industrial Approval in 1993 and 1994 when those companies were granted permission for foreign investment and operation in India. The conditions at issue include an alleged minimum investment commitment and store build requirements as well as limitations on the remittance of fees outside of India.

The Action originated with a complaint and show cause notice filed in 2009 against YRIPL by the Deputy Director of the Directorate of Enforcement ("DOE") of the Indian Ministry of Finance following an income tax audit for the years 2002 and 2003. The matter was argued at various hearings in 2015, but no order was issued. Following a change in the incumbent official holding the position of Special Director of DOE (the "Special Director"), the matter resumed in 2018 and several additional hearings were conducted.

On January 29, 2020, the Special Director issued an order imposing a penalty on YRIPL and certain former directors of approximately Indian Rupee 11 billion, or approximately \$135 million. Of this amount, \$130 million relates to the alleged failure to invest a total of \$80 million in India within an initial seven-year period. We have been advised by external counsel that the order is flawed and have filed a writ petition with the Delhi High Court, which granted an interim stay of the penalty order on March 5, 2020. In November 2022, YRIPL was notified that an administrative tribunal bench had been constituted to hear an appeal by DOE of certain findings of the January 2020 order, including claims that certain charges had been wrongly dropped and that an insufficient amount of penalty had been imposed. A hearing with the administrative tribunal that had been scheduled for March 4, 2024 has been rescheduled to July 30, 2024. A hearing held on March 21, 2024, before the Delhi High Court has been continued to July 4, 2024, and the stay order remains in effect. We deny liability and intend to continue vigorously defending this matter. We do not consider the risk of any significant loss arising from this order to be probable.

Other Matters

We are currently engaged in various other legal proceedings and have certain unresolved claims pending, the ultimate liability for which, if any, cannot be determined at this time. However, based upon consultation with legal counsel, we are of the opinion that such proceedings and claims are not expected to have a material adverse effect, individually or in the aggregate, on our Condensed Consolidated Financial Statements.

Note 14 - Subsequent Event

KFC U.K. and Ireland Store Acquisition

On April 29, 2024, we completed the previously announced acquisition of 216 KFC restaurants from a franchisee in the U.K. and Ireland. Consideration for this acquisition consists of approximately \$180 million in cash, subject to customary post-closing adjustments.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction and Overview

The following Management's Discussion and Analysis ("MD&A"), should be read in conjunction with the unaudited Condensed Consolidated Financial Statements ("Financial Statements"), the Forward-Looking Statements and our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, ("2023 Form 10-K"). All Note references herein refer to the Notes to the Financial Statements. Tabular amounts are displayed in millions of U.S. dollars except per share and unit count amounts, or as otherwise specifically identified. Percentages may not recompute due to rounding.

Yum! Brands, Inc. and its Subsidiaries (collectively referred to herein as the "Company," "YUM," "we," "us" or "our") franchise or operate a system of over 59,000 restaurants in more than 155 countries and territories, primarily under the concepts of KFC, Taco Bell, Pizza Hut and The Habit Burger Grill (collectively, the "Concepts"). The Company's KFC, Taco Bell and Pizza Hut brands are global leaders of the chicken, Mexican-style and pizza categories, respectively. The Habit Burger Grill, is a fast-casual restaurant concept specializing in made-to-order chargrilled burgers, sandwiches and more. Of the over 59,000 restaurants, 98% are operated by franchisees.

YUM currently consists of four operating segments:

- The KFC Division which includes our worldwide operations of the KFC concept
- The Taco Bell Division which includes our worldwide operations of the Taco Bell concept
- The Pizza Hut Division which includes our worldwide operations of the Pizza Hut concept
- The Habit Burger Grill Division which includes our worldwide operations of the Habit Burger Grill concept

Through our Good Growth Strategy we intend to unlock the growth potential of our Concepts and YUM, drive increased collaboration across our Concepts and geographies and consistently deliver better customer experiences, improved unit economics and higher rates of growth. Key enablers include accelerated use of technology and better leverage of our systemwide scale.

Our global citizenship and sustainability strategy is reflected in our Good agenda, which includes our priorities for social responsibility, risk management and sustainable stewardship of our people, food and planet.

Our Growth agenda is based on four key drivers:

- Unrivalled Culture and Talent: Leverage our culture and people capability to fuel brand performance and franchise success
- Unmatched Operating Capability: Recruit and equip the best restaurant operators in the world to deliver great customer experiences
- Relevant, Easy and Distinctive Brands: Innovate and elevate iconic restaurant brands people trust and champion
- Bold Restaurant Development: Drive market and franchise unit expansion with strong economics and value

We intend for this MD&A to provide the reader with information that will assist in understanding our results of operations, including performance metrics that management uses to assess the Company's performance. Throughout this MD&A, we commonly discuss the following performance metrics:

- Same-store sales growth is the estimated percentage change in system sales of all restaurants that have been open and in the YUM system for one year or more, including those temporarily closed. From time-to-time restaurants may be temporarily closed due to remodeling or image enhancement, rebuilding, natural disasters, health epidemic or pandemic, landlord disputes or other issues. The system sales of restaurants we deem temporarily closed remain in our base for purposes of determining same-store sales growth and the restaurants remain in our unit count (see below). Same-store sales growth excludes, for subsidiaries operating on a monthly calendar, the extra day resulting from a leap year and excludes, for subsidiaries operating on a weekly periodic calendar, the last week of the year in fiscal years with 53 weeks. We believe same-store sales growth is useful to investors because our results are heavily dependent on the results of our Concepts' existing store base. Additionally, same-store sales growth is reflective of the strength of our Brands, the effectiveness of our operational and advertising initiatives and local economic and consumer trends.
- Gross unit openings reflects new openings by us and our franchisees. Net new unit growth reflects gross unit openings offset by permanent store closures, by us and our franchisees. To determine whether a restaurant meets the definition of a unit we consider whether the restaurant has operations that are ongoing and independent from another YUM unit, serves the primary product of one of our Concepts, operates under a separate franchise agreement (if operated by a franchisee) and

has substantial and sustainable sales. We believe gross unit openings and net new unit growth are useful to investors because we depend on new units for a significant portion of our growth. Additionally, gross unit openings and net new unit growth are generally reflective of the economic returns to us and our franchisees from opening and operating our Concept restaurants.

- System sales and System sales excluding the impacts of foreign currency translation ("FX") reflect the results of all restaurants regardless of ownership, including Company-owned and franchise restaurants. Sales at franchise restaurants typically generate ongoing franchise and license fees for the Company at a rate of 3% to 6% of sales. Increasingly, customers are paying a fee to a third party to deliver or facilitate the ordering of our Concepts' products. We also include in System sales any portion of the amount customers pay these third parties for which the third party is obligated to pay us a license fee as a percentage of such amount. Franchise restaurant sales and fees paid by customers to third parties to deliver or facilitate the ordering of our Concepts' products are not included in Company sales on the Condensed Consolidated Statements of Income; however, any resulting franchise and license fees we receive are included in the Company's revenues. We believe System sales growth is useful to investors as a significant indicator of the overall strength of our business as it incorporates our primary revenue drivers, Company and franchise same-store sales as well as net unit growth.

In addition to the results provided in accordance with Generally Accepted Accounting Principles in the United States of America ("GAAP"), the Company provides the following non-GAAP measurements:

- Diluted Earnings Per Share excluding Special Items (as defined below);
- Effective Tax Rate excluding Special Items;
- Core Operating Profit. Core Operating Profit excludes Special Items and FX and we use Core Operating Profit for the purposes of evaluating performance internally;
- Company restaurant profit and Company restaurant margin as a percentage of sales (as defined below).

These non-GAAP measurements are not intended to replace the presentation of our financial results in accordance with GAAP. Rather, the Company believes that the presentation of these non-GAAP measurements provide additional information to investors to facilitate the comparison of past and present operations.

Special Items are not included in any of our Division segment results as the Company does not believe they are indicative of our ongoing operations due to their size and/or nature. Our chief operating decision maker does not consider the impact of Special Items when assessing segment performance.

Company restaurant profit is defined as Company sales less Company restaurant expenses, both of which appear on the face of our Condensed Consolidated Statements of Income. Company restaurant expenses include those expenses incurred directly by our Company-owned restaurants in generating Company sales, including cost of food and paper, cost of restaurant-level labor, rent, depreciation and amortization of restaurant-level assets and advertising expenses incurred by and on behalf of that Company restaurant. Company restaurant margin as a percentage of sales ("Company restaurant margin %") is defined as Company restaurant profit divided by Company sales. We use Company restaurant profit for the purposes of internally evaluating the performance of our Company-owned restaurants and we believe Company restaurant profit provides useful information to investors as to the profitability of our Company-owned restaurants. In calculating Company restaurant profit, the Company excludes revenues and expenses directly associated with our franchise operations as well as non-restaurant-level costs included in General and administrative expenses, some of which may support Company-owned restaurant operations. The Company also excludes restaurant-level asset impairment and closures expenses, which have historically not been significant, from the determination of Company restaurant profit as such expenses are not believed to be indicative of ongoing operations. Company restaurant profit and Company restaurant margin % as presented may not be comparable to other similarly titled measures of other companies in the industry.

Certain performance metrics and non-GAAP measurements are presented excluding the impact of FX. These amounts are derived by translating current year results at prior year average exchange rates. We believe the elimination of the FX impact provides better year-to-year comparability without the distortion of foreign currency fluctuations.

Results of Operations

Summary

All comparisons within this summary are versus the same period a year ago.

Quarterly Financial Highlights:

	% Change				
	System Sales, ex FX	Same-Store Sales	Units	GAAP Operating Profit	Core Operating Profit
KFC Division	+4	(2)	+8	+3	+6
Taco Bell Division	+4	+1	+3	+2	+2
Pizza Hut Division	(4)	(7)	+5	(11)	(10)
YUM	+2	(3)	+6	(1)	+6

Additionally:

- Foreign currency translation unfavorably impacted Divisional Operating Profit by \$11 million for the quarter ended March 31, 2024.

	First Quarter		
	2024	2023	% Change
GAAP Diluted EPS	\$1.10	\$1.05	+5
Less Special Items EPS	\$(0.05)	\$(0.01)	NM
Diluted EPS Excluding Special Items	\$1.15	\$1.06	+9

- In addition to the aforementioned factors impacting Operating Profit, our diluted EPS was negatively impacted by \$0.08 for the quarter ended March 31, 2024 and \$0.07 for the quarter ended March 31, 2023, from after-tax investment losses. Foreign currency translation negatively impacted our diluted EPS by approximately \$0.03 for the quarter ended March 31, 2024.
- Gross unit openings for the quarter were 808 units resulting in 421 net new units.

Worldwide

GAAP Results

	Quarter ended		
	2024	2023	% B/(W)
Company sales	\$ 474	\$ 474	Even
Franchise and property revenues	757	770	(2)
Franchise contributions for advertising and other services	367	401	(8)
Total revenues	1,598	1,645	(3)
Company restaurant expenses	400	403	1
G&A expenses	286	282	(2)
Franchise and property expenses	31	36	14
Franchise advertising and other services expense	367	395	7
Refranchising (gain) loss	(5)	(4)	NM
Other (income) expense	(1)	10	NM
Total costs and expenses, net	1,078	1,122	4
Operating Profit	520	523	(1)
Investment (income) expense, net	22	24	NM
Other pension (income) expense	(2)	(2)	NM
Interest expense, net	117	130	10
Income before income taxes	383	371	3
Income tax provision	69	71	3
Net Income	\$ 314	\$ 300	5
Diluted EPS ^(a)	\$ 1.10	\$ 1.05	5
Effective tax rate	18.0 %	19.1 %	1.1 ppts.

(a) See Note 2 for the number of shares used in this calculation.

Performance Metrics

Unit Count	3/31/2024	3/31/2023	% Increase (Decrease)
Franchise	58,106	54,681	6
Company-owned	1,023	1,002	2
Total	59,129	55,683	6

	Quarter ended	
	2024	2023
Same-Store Sales Growth (Decline) %	(3)	8
System Sales Growth %, reported	—	6
System Sales Growth %, excluding FX	2	11

Our system sales breakdown by Company and franchise sales was as follows:

	Quarter ended	
	2024	2023
<u>Consolidated</u>		
Company sales ^(a)	\$ 474	\$ 474
Franchise sales	14,572	14,541
System sales	15,046	15,015
Negative (Positive) Foreign Currency Impact ^(b)	279	N/A
System sales, excluding FX	<u>\$ 15,325</u>	<u>\$ 15,015</u>
<u>KFC Division</u>		
Company sales ^(a)	\$ 105	\$ 110
Franchise sales	8,023	7,947
System sales	8,128	8,057
Negative (Positive) Foreign Currency Impact ^(b)	237	N/A
System sales, excluding FX	<u>\$ 8,365</u>	<u>\$ 8,057</u>
<u>Taco Bell Division</u>		
Company sales ^(a)	\$ 240	\$ 229
Franchise sales	3,357	3,235
System sales	3,597	3,464
Negative (Positive) Foreign Currency Impact ^(b)	(2)	N/A
System sales, excluding FX	<u>\$ 3,595</u>	<u>\$ 3,464</u>
<u>Pizza Hut Division</u>		
Company sales ^(a)	\$ 2	\$ 5
Franchise sales	3,165	3,331
System sales	3,167	3,336
Negative (Positive) Foreign Currency Impact ^(b)	44	N/A
System sales, excluding FX	<u>\$ 3,211</u>	<u>\$ 3,336</u>
<u>Habit Burger Grill Division</u>		
Company sales ^(a)	\$ 127	\$ 130
Franchise sales	27	28
System sales	154	158
Negative (Positive) Foreign Currency Impact ^(b)	—	N/A
System sales, excluding FX	<u>\$ 154</u>	<u>\$ 158</u>

(a) Company sales represents sales from our Company-operated stores as presented on our Condensed Consolidated Statements of Income.

(b) The foreign currency impact on System sales is presented in relation only to the immediately preceding year presented. When determining applicable System sales growth percentages, the System sales excluding FX for the current year should be compared to the prior year System sales.

Non-GAAP Items

Non-GAAP Items, along with the reconciliation to the most comparable GAAP financial measure, as presented below.

	Quarter ended	
	2024	2023
Operating Profit Growth %	6	11
Adjusted EPS Growth %, excluding Special Items	9	Even
Effective Tax Rate excluding Special Items	19.4%	19.3%

	Quarter ended	
	2024	2023
Company restaurant profit	\$ 74	\$ 71
Company restaurant margin %	15.6 %	14.9 %

Reconciliation of GAAP Operating Profit to Core Operating Profit	Quarter ended	
	2024	2023
Consolidated		
GAAP Operating Profit	\$ 520	\$ 523
Adjustment of Special Items:		
(Gain) loss associated with market-wide refranchisings ^(a)	3	(3)
Operating loss impact from decision to exit Russia ^(b)	—	3
Charges associated with Resource Optimization ^(c)	21	3
Special Items Expense - Operating Profit	24	3
Positive Foreign Currency Impact on Operating Profit	11	N/A
Core Operating Profit	\$ 555	\$ 526

Special Items as shown above were recorded to the financial statement line items identified below.

Condensed Consolidated Statements of Income Line Item		
General and administrative expenses	\$ 21	\$ 4
Franchise and property expenses	—	1
Refranchising (gain) loss	3	(3)
Other (income) expense	—	1
Special Items Expense - Operating Profit	\$ 24	\$ 3

Q1 Division		
GAAP Operating Profit	\$ 313	\$ 305
Positive (Positive) Foreign Currency Impact	10	N/A
Core Operating Profit	\$ 323	\$ 305

Q2 Bell Division		
GAAP Operating Profit	\$ 208	\$ 204
Positive (Positive) Foreign Currency Impact	—	N/A
Core Operating Profit	\$ 208	\$ 204

Q3a Hut Division		
GAAP Operating Profit	\$ 93	\$ 104
Positive (Positive) Foreign Currency Impact	1	N/A
Core Operating Profit	\$ 94	\$ 104

Q4bit Burger Grill Division		
GAAP Operating Loss	\$ (5)	\$ (5)
Positive (Positive) Foreign Currency Impact	—	N/A
Core Operating Profit (Loss)	\$ (5)	\$ (5)

Reconciliation of GAAP Net Income to Net Income excluding Special Items		
GAAP Net Income	\$ 314	\$ 300
Special Items Expense - Operating Profit	24	3
Special Items Tax (Benefit) ^(d)	(10)	(2)
Net Income excluding Special Items	\$ 328	\$ 301

Reconciliation of Diluted EPS to Diluted EPS excluding Special Items

Diluted EPS	\$	1.15	1.05
Less Special Items Diluted EPS		(0.05)	(0.01)
Diluted EPS excluding Special Items	\$	1.10	1.06

Reconciliation of GAAP Effective Tax Rate to Effective Tax Rate excluding Special Items

GAAP Effective Tax Rate	18.0%	19.9%
Impact on Tax Rate as a result of Special Items	(1.4%)	(0.2%)
Effective Tax Rate excluding Special Items	19.4%	19.7%

- (a) Due to their size and volatility, we have reflected as Special Items those refranchising gains and losses that were recorded in connection with market-wide refranchisings. During the quarters ended March 31, 2024 and 2023, we recorded net refranchising losses of \$3 million and net refranchising gains of \$3 million, respectively, that have been reflected as Special Items.

Additionally, we recorded net refranchising gains of \$8 million and \$1 million during the quarters ended March 31, 2024 and 2023, respectively, that have not been reflected as Special Items. These net refranchising gains relate to refranchising of restaurants unrelated to market-wide refranchisings that we believe are indicative of our expected ongoing refranchising activity.

- (b) In April 2023, we completed our exit from the Russia market by selling the KFC business in Russia to Smart Service Ltd. Our GAAP operating results for the quarter ended March 31, 2023 presented herein reflect revenues from and expenses to support the Russian operations for KFC prior to the date of sale, within their historical financial statement line items and operating segments. However, given our decision to exit Russia and our pledge to direct any future net profits attributable to Russia subsequent to the date of invasion of Ukraine to humanitarian efforts, we reclassified such net operating profits or losses from the KFC Division segment results to Unallocated Other income (expense). Additionally, we incurred certain expenses related to the disposition of the business and other one-time costs related to our exit from Russia which we recorded within Corporate and unallocated G&A and Unallocated Franchise and property expenses. The resulting net Operating Loss of \$3 million for the quarter ended March 31, 2023 has been reflected as a Special Item.

- (c) We recorded charges of \$21 million and \$3 million during the quarters ended March 31, 2024 and 2023, respectively, to General and administrative expenses related to a resource optimization program. This program has allowed us to reallocate significant resources to accelerate our digital, technology and innovation capabilities to deliver a modern, world-class team member and customer experience and improve unit economics. We have recently expanded the program to identify further opportunities to optimize the Company's spending and identify additional, critical areas in which to potentially reallocate resources, both with a goal to enable the acceleration of the Company's growth rate. Costs incurred to date related to the program primarily include severance associated with positions that have been eliminated or relocated and consultant fees. Due to their scope and size, these charges have been reflected as Special Items.

- (d) The below table includes the detail of Special Items Tax (Benefit) Expense:

		Quarter ended	
		3/31/2024	3/31/2023
Tax (Benefit) Expense on Special Items Operating Profit and Interest Expense	\$	\$ (6)	—
Tax (Benefit) Expense - Income tax impacts from decision to exit Russia		—	(2)
Tax (Benefit) - Other Income tax impacts recorded as Special		(4)	—
Special Items Tax (Benefit) Expense	\$	\$ (10)	(2)

Tax (Benefit) Expense on Special Items Operating Profit and Interest Expense was determined by assessing the tax impact of each individual component within Special Items based upon the nature of the item and jurisdictional tax law.

Other Income Tax impacts recorded as Special in the quarter ended March 31, 2024 include benefits related to the reversal of a reserve due to the favorable resolution of a tax audit in a foreign jurisdiction. Such reserve was established in prior years related to income tax liabilities originally recorded as a Special Item as part of an intercompany restructuring of intellectual property.

Reconciliation of GAAP Operating Profit to Company Restaurant Profit

	Quarter ended 3/31/2024					
	KFC Division	Taco Bell Division	Pizza Hut Division	Habit Burger Grill Division	Corporate and Unallocated	Consolidated
GAAP Operating Profit (Loss)	\$ 313	\$ 208	\$ 93	\$ (5)	\$ (89)	\$ 520
Less:						
Franchise and property revenues	397	210	148	2	—	757
Franchise contributions for advertising and other services	130	148	88	1	—	367
Add:						
General and administrative expenses	83	49	52	13	89	286
Franchise and property expenses	17	8	5	1	—	31
Franchise advertising and other services expense	129	147	90	1	—	367
Refranchising (gain) loss	—	—	—	—	(5)	(5)
Other (income) expense	(2)	—	(4)	—	5	(1)
Company restaurant profit	\$ 13	\$ 54	\$ —	\$ 7	\$ —	\$ 74
Company sales	\$ 105	\$ 240	\$ 2	\$ 127	\$ —	\$ 474
Company restaurant margin %	12.2 %	22.5 %	1.9 %	5.5 %	N/A	15.6 %

	Quarter ended 3/31/2023					
	KFC Division	Taco Bell Division	Pizza Hut Division	Habit Burger Grill Division	Corporate and Unallocated	Consolidated
GAAP Operating Profit (Loss)	\$ 305	\$ 204	\$ 104	\$ (5)	\$ (85)	\$ 523
Less:						
Franchise and property revenues	412	201	155	2	—	770
Franchise contributions for advertising and other services	165	142	94	—	—	401
Add:						
General and administrative expenses	89	45	51	13	84	282
Franchise and property expenses	26	5	3	1	1	36
Franchise advertising and other services expense	164	138	93	—	—	395
Refranchising (gain) loss	—	—	—	—	(4)	(4)
Other (income) expense	7	1	(2)	—	4	10
Company restaurant profit	\$ 14	\$ 50	\$ —	\$ 7	\$ —	\$ 71
Company sales	\$ 110	\$ 229	\$ 5	\$ 130	\$ —	\$ 474
Company restaurant margin %	12.0 %	22.2 %	3.9 %	4.9 %	N/A	14.9 %

Items Impacting Reported Results and Reasonably Likely to Impact Future Results

The following items impacted reported results in 2024 and/or 2023 and/or are reasonably likely to impact future results. See also the Detail of Special Items in this MD&A for other items similarly impacting results.

Middle East Conflict

During the fourth quarter of 2023, certain of our markets, principally in our KFC and Pizza Hut Divisions, began being impacted by a military conflict in the Middle East region. While the impacts from the Middle East conflict have been scattered and difficult to measure, we believe the markets most impacted by the conflict, which include markets in the Middle East, Indonesia and Malaysia, collectively created a low single-digit headwind to YUM's overall same-store sales growth during the quarter ended March 31, 2024. We continue to expect this impact to decrease with sales improving in the most impacted markets over the balance of 2024.

Impact of Foreign Currency Translation on Operating Profit

Changes in foreign currency exchange rates negatively impacted the translation of our foreign currency denominated Divisional Operating Profit by \$11 million for the quarter ended March 31, 2024. This included a negative impact to our KFC Division Operating Profit of \$10 million for the quarter ended March 31, 2024. We currently expect changes in foreign currency to negatively impact Divisional Operating Profit by approximately \$20 to \$30 million on a full-year basis.

Investment in Devyani

During the quarter ended March 31, 2024, we sold our approximate 5% minority investment in Devyani International Limited ("Devyani"), a franchise entity that operates KFC and Pizza Hut restaurants in India, for pre-tax proceeds of \$104 million. Changes in the fair value of our ownership interest in Devyani prior to the date of sale resulted in pre-tax investment losses of \$20 million and \$23 million in the quarters ended March 31, 2024 and 2023, respectively.

KFC Division

The KFC Division has 30,251 units, 87% of which are located outside the U.S. Additionally, 99% of the KFC Division units were operated by franchisees as of March 31, 2024.

	Quarter ended			
	2024	2023	% B/(W)	
			Reported	Ex FX
System Sales	\$ 8,128	\$ 8,057	1	4
Same-Store Sales Growth (Decline) %	(2)	9	N/A	N/A
Company sales	\$ 105	\$ 110	(4)	(3)
Franchise and property revenues	397	412	(4)	(1)
Franchise contributions for advertising and other services	130	165	(21)	(20)
Total revenues	<u>\$ 632</u>	<u>\$ 687</u>	(8)	(6)
Company restaurant profit	\$ 13	\$ 14	(3)	(1)
Company restaurant margin %	12.2 %	12.0 %	0.2 ppts.	0.4 ppts.
G&A expenses	\$ 83	\$ 89	7	7
Franchise and property expenses	17	26	34	35
Franchise advertising and other services expense	129	164	21	20
Operating Profit	\$ 313	\$ 305	3	6
<u>Unit Count</u>	<u>3/31/2024</u>	<u>3/31/2023</u>	% Increase (Decrease)	
Franchise	30,029	27,785	8	
Company-owned	222	218	2	
Total	<u>30,251</u>	<u>28,003</u>	8	

Company sales and Company restaurant margin %

The quarterly decrease in Company sales, excluding the impact of foreign currency translation, was driven by a Company same-store sales decline of 4%.

The quarterly increase in Company restaurant margin percentage was driven by the impact of closing units with low restaurant margin percentages, partially offset by a Company same-store sales decline.

Franchise and property revenues

The quarterly decrease in Franchise and property revenues, excluding the impacts of foreign currency translation, was driven by a 3% negative impact from the sale of our KFC Russia business and a franchise same-store sales decline of 2%, partially offset by unit growth.

G&A

The quarterly decrease in G&A, excluding the impact of foreign currency translation, was driven by the impact of the sale of the KFC Russia business.

Operating Profit

The quarterly increase in Operating Profit, excluding the impact of foreign currency translation, was driven by unit growth and lower Franchise and property expenses, primarily due to lapping global franchise convention expenses in the prior year, partially offset by a same-store sales decline.

Taco Bell Division

The Taco Bell Division has 8,555 units, 87% of which are in the U.S. The Company owned 7% of the Taco Bell units in the U.S. as of March 31, 2024.

	Quarter ended			
	2024	2023	% B/(W)	
			Reported	Ex FX
System Sales	\$ 3,597	\$ 3,464	4	4
Same-Store Sales Growth %	1	8	N/A	N/A
Company sales	\$ 240	\$ 229	5	5
Franchise and property revenues	210	201	5	5
Franchise contributions for advertising and other services	148	142	4	4
Total revenues	<u>\$ 598</u>	<u>\$ 572</u>	5	5
Company restaurant profit	\$ 54	\$ 50	6	6
Company restaurant margin %	22.5 %	22.2 %	0.3 ppts.	0.3 ppts.
G&A expenses	\$ 49	\$ 45	(8)	(8)
Franchise and property expenses	8	5	(39)	(39)
Franchise advertising and other services expense	147	138	(7)	(7)
Operating Profit	\$ 208	\$ 204	2	2

<u>Unit Count</u>	<u>3/31/2024</u>	<u>3/31/2023</u>	<u>% Increase (Decrease)</u>
Franchise	8,071	7,806	3
Company-owned	484	470	3
Total	<u>8,555</u>	<u>8,276</u>	3

Company sales and Company restaurant margin %

The quarterly increase in Company sales was driven by unit growth and Company same-store sales growth of 2%.

The quarterly increase in Company restaurant margin percentage was driven by same-store sales growth partially offset by higher labor and other restaurant operating costs.

Franchise and property revenues

The quarterly increase in Franchise and property revenues was driven by unit growth and franchise same-store sales growth of 1%.

G&A

The quarterly increase in G&A was driven by increased legal costs, higher digital and technology expenses and higher headcount and salaries partially offset by lower share-based compensation.

Operating Profit

The quarterly increase in Operating Profit was driven by unit growth and same-store sales growth partially offset by higher restaurant operating costs, higher Franchise advertising and other service expense primarily related to digital and technology expenses, higher bad debt expense lapping prior year net bad debt recoveries for past due franchise receivables and increased G&A.

Pizza Hut Division

The Pizza Hut Division has 19,942 units, 67% of which are located outside the U.S. The Pizza Hut Division uses multiple distribution channels including delivery, dine-in and express (e.g. airports) and includes units operating under both the Pizza Hut and Telepizza brands. Additionally, over 99% of the Pizza Hut Division units were operated by franchisees as of March 31, 2024.

	Quarter ended			
	2024	2023	% B/(W)	
			Reported	Ex FX
System Sales	\$ 3,167	\$ 3,336	(5)	(4)
Same-Store Sales Growth (Decline) %	(7)	7	N/A	N/A
Company sales	\$ 2	\$ 5	(64)	(64)
Franchise and property revenues	148	155	(5)	(4)
Franchise contributions for advertising and other services	88	94	(6)	(6)
Total revenues	<u>\$ 238</u>	<u>\$ 254</u>	(6)	(6)
Company restaurant profit	\$ —	\$ —	(82)	(82)
Company restaurant margin %	1.9 %	3.9 %	(2.0) ppts.	(2.0) ppts.
G&A expenses	\$ 52	\$ 51	(2)	(2)
Franchise and property expenses	5	3	(113)	(114)
Franchise advertising and other services expense	90	93	3	4
Operating Profit	\$ 93	\$ 104	(11)	(10)

<u>Unit Count</u>	<u>3/31/2024</u>	<u>3/31/2023</u>	<u>% Increase (Decrease)</u>
Franchise	19,935	19,025	5
Company-owned	7	21	(67)
Total	<u>19,942</u>	<u>19,046</u>	5

Franchise and property revenues

The quarterly decrease in Franchise and property revenues, excluding the impacts of foreign currency translation, was driven by a franchise same-store sales decline of 7%, partially offset by unit growth.

G&A

G&A, excluding the impacts of foreign currency translation, was largely flat.

Operating Profit

The quarterly decrease in Operating Profit, excluding the impacts of foreign currency translation, was driven by same-store sales declines and current year bad debt expense lapping prior year net bad debt recoveries for past due franchise receivables, partially offset by unit growth.

Habit Burger Grill Division

The Habit Burger Grill Division has 381 units, the vast majority of which are in the U.S. The Company owned 84% of the Habit Burger Grill units in the U.S. as of March 31, 2024.

	Quarter ended		
	2024	2023	% B/(W)
			Reported
System Sales	\$ 154	\$ 158	(2)
Same-Store Sales Growth %	(8)	—	N/A
Total revenues	\$ 130	\$ 132	(2)
Operating Profit (Loss)	\$ (5)	\$ (5)	(6)

	3/31/2024	3/31/2023	% Increase (Decrease)
ise	71	65	9
any-owned	310	293	6
	381	358	6

Corporate & Unallocated

(Expense) / Income	Quarter ended		
	2024	2023	% B/(W)
Corporate and unallocated G&A	\$ (89)	\$ (84)	(7)
Unallocated Franchise and property income (expenses)	—	(1)	NM
Unallocated Refranchising gain (loss)	5	4	NM
Unallocated Other income (expense)	(5)	(4)	NM
Investment income (expense), net (See Note 8)	(22)	(24)	NM
Other pension income (expense) (See Note 9)	2	2	NM
Interest expense, net	(117)	(130)	10
Income tax benefit (provision) (See Note 6)	(69)	(71)	3
Effective tax rate (See Note 6)	18.0 %	19.1 %	1.1 pts.

Corporate and unallocated G&A

The quarterly increase in Corporate and Unallocated G&A expense was driven by costs associated with our resource optimization program, partially offset by lapping costs related to the prior year ransomware attack.

Interest expense, net

The quarterly decrease in Interest expense, net was primarily driven by lower borrowings and higher interest income, partially offset by a higher weighted-average interest rate.

Consolidated Cash Flows

Net cash provided by operating activities was \$363 million in 2024 versus \$349 million in 2023. The increase was primarily driven by an increase in Operating Profit before Special Items and timing of spending on advertising, partially offset by higher income tax payments.

Net cash provided by investing activities was \$45 million in 2024 compared to net cash used in investing activities of \$56 million in 2023. The change was primarily driven by proceeds from the sale of our approximate 5% minority investment in Devyani in 2024.

Net cash used in financing activities was \$247 million in 2024 versus \$334 million in 2023. The change was primarily driven by lower net debt repayments and lapping prior year share repurchases.

Liquidity and Capital Resources

We have historically generated substantial cash flows from our extensive franchise operations, which require a limited YUM investment, and from the operations of our Company-owned stores. Our annual operating cash flows have been in excess of \$1.3 billion in each of the past five years and we expect that to continue to be the case in 2024. It is our intent to use these operating cash flows to continue to invest in growing our business and pay a competitive dividend, with any remaining excess then returned to shareholders through share repurchases. To the extent operating cash flows plus other sources of cash do not cover our anticipated cash needs, we maintain a \$1.25 billion Revolving Facility under our Credit Agreement that was undrawn as of March 31, 2024. The borrowing capacity under our Revolving Facility was increased to \$1.5 billion as part of the April 2024 refinancing of the Credit Agreement as discussed in Note 10. We believe that our ongoing cash from operations, cash on hand, which was approximately \$650 million at March 31, 2024, and availability under our Revolving Facility will be sufficient to fund our cash requirements over the next twelve months.

There have been no material changes to the disclosures made in Item 7 of the Company's 2023 Form 10-K regarding our material cash requirements. Due to the ongoing significance of our debt obligations, we are providing the update below.

Debt Instruments

As of March 31, 2024, approximately 94%, including the impact of interest rate swaps, of our \$11.2 billion of total debt outstanding, excluding finance leases and debt issuance costs and discounts, is fixed with an effective overall interest rate of approximately 4.6%. We ended the quarter with a consolidated net leverage ratio of 4.1x EBITDA. We continually reassess our optimal leverage ratio to maximize shareholder returns. We target a capital structure which we believe provides an attractive balance between optimized interest rates, duration and flexibility with diversified sources of liquidity and maturities spread over multiple years. We have credit ratings of BB+ (Standard & Poor's)/Ba2 (Moody's).

The following table summarizes the future maturities of our outstanding long-term debt, excluding finance leases and debt issuance costs and discounts, as of March 31, 2024.

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2037	2043	Total
Securitization Notes			\$ 938	\$ 884	\$ 595	\$ 589		\$ 737				\$ 3,743
Credit Agreement	\$ 40	\$ 53	661	15	1,399							2,168
Subsidiary Senior Unsecured Notes				750								750
YUM Senior Unsecured Notes							\$ 800	1,050	\$ 2,100	\$ 325	\$ 275	4,550
Total	\$ 40	\$ 53	\$ 1,599	\$ 1,649	\$ 1,994	\$ 589	\$ 800	\$ 1,787	\$ 2,100	\$ 325	\$ 275	\$ 11,211

See Note 10 for a discussion of the refinancing of the Credit Agreement that took place in April 2024.

New Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which updates reportable segment disclosure requirements through enhanced disclosures about significant segment expenses. The standard is effective for the Company's Annual Report on Form 10-K for fiscal 2024, and subsequent interim periods, with early adoption permitted. The amendments should be applied retrospectively to all prior periods presented in the financial statements. We are currently evaluating the impact of the standard on our disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which updates income tax disclosure requirements related to the income tax rate reconciliation and requires disclosure of income taxes paid by jurisdiction. The standard is effective for the Company's Annual Report on Form 10-K for fiscal 2025 with early adoption permitted. The amendments should be applied prospectively; however, retrospective application is permitted. We are currently evaluating the impact of the standard on our disclosures.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Except as disclosed below, there were no material changes during the quarter ended March 31, 2024, to the disclosures made in Item 7A of the Company's 2023 Form 10-K.

Equity Investment Risk

During the quarter ended March 31, 2024, the Company sold its equity ownership interest in Devyani International Limited for pre-tax proceeds of \$104 million. As a result, we are no longer exposed to material equity investment risk as of March 31, 2024.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company has evaluated the effectiveness of the design and operation of its disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 as of the end of the period covered by this report. Based on the evaluation, performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO"), the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by the report.

Changes in Internal Control

There were no changes with respect to the Company's internal control over financial reporting or in other factors that materially affected, or are reasonably likely to materially affect, internal control over financial reporting during the quarter ended March 31, 2024.

Forward-Looking Statements

Forward-looking statements 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," "plan," "estimate," "target," "predict," "likely," "seek," "project," "model," "ongoing," "will," "should," "forecast," "outlook" or similar terminology. Forward-looking statements are based on our current expectations, estimates, assumptions and/or projections, our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. Forward-looking statements are neither predictions nor guarantees of future events, circumstances or performance and are inherently subject to known and unknown risks, uncertainties and assumptions that could cause our actual results to differ materially from those indicated by those statements. There can be no assurance that our expectations, estimates, assumptions and/or projections will be achieved. Factors that could cause actual results and events to differ materially from our expectations and forward-looking statements include (i) the factors described in Management's Discussion and Analysis of Financial Condition and Results of Operations included in Part I, Item 2 of this report, (ii) any risks and uncertainties described in the Risk Factors included in Part II, Item 1A of this report, (iii) the factors described in the Management's Discussion and Analysis of Financial Condition and Results of Operations included in Part II, Item 7 of our Form 10-K for the year ended December 31, 2023, and (iv) the risks and uncertainties described in the Risk Factors included in Part I, Item 1A of our Form 10-K for the year ended December 31, 2023. You should not place undue reliance on forward-looking statements, which speak only as of the date hereof. We are not undertaking to update any of these statements.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Yum! Brands, Inc.:

Results of Review of Interim Financial Information

We have reviewed the condensed consolidated balance sheet of Yum! Brands, Inc. and subsidiaries (YUM) as of March 31, 2024, the related condensed consolidated statements of income, comprehensive income, cash flows and shareholders' deficit for the three-month periods ended March 31, 2024 and 2023, and the related notes (collectively, the consolidated interim financial information). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial information for it to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of YUM as of December 31, 2023, and the related consolidated statements of income, comprehensive income, cash flows and shareholders' deficit for the year then ended (not presented herein); and in our report dated February 20, 2024, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2023 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

This consolidated interim financial information is the responsibility of YUM's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to YUM in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with the standards of the PCAOB. A review of consolidated interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ KPMG LLP

Louisville, Kentucky
May 7, 2024

PART II – OTHER INFORMATION AND SIGNATURES

Item 1. Legal Proceedings

Information regarding legal proceedings is incorporated by reference from Note 13 to the Company's Condensed Consolidated Financial Statements set forth in Part I of this report.

Item 1A. Risk Factors

We face a variety of risks that are inherent in our business and our industry, including operational, legal, regulatory and product risks. Such risks could cause our actual results to differ materially from our forward-looking statements, expectations and historical trends. There have been no material changes from the risk factors disclosed in Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the quarter ended March 31, 2024, we did not repurchase shares of our Common Stock. In September 2022, our Board of Directors authorized share repurchases of up to \$2 billion (excluding applicable transaction fees) of our outstanding Common Stock through June 30, 2024. As of March 31, 2024, we have remaining capacity to repurchase up to \$1.7 billion of Common Stock under this authorization.

Item 5. Other Information

Securities Trading Plans

During the three months ended March 31, 2024, none of the Company's directors or officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of Regulation S-K.

Item 6. Exhibits

(a) Exhibit Index

Exhibit No.	Exhibit Description
10.1	<u>Refinancing Amendment No. 7, dated as of April 26, 2024, to Credit Agreement dated as of June 16, 2016 among Pizza Hut Holdings, LLC, KFC Holding Co. and Taco Bell of America, LLC, as borrowers, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Collateral Agent, Swing Line Lender, an L/C Issuer and Administrative Agent for the Lenders, which is incorporated herein by reference from Exhibit 10.1 to YUM's Report on 8-K filed on April 26, 2024.</u>
10.2†	<u>Yum! Brands, Inc. Long Term Incentive Plan Form of Global Restricted Stock Unit Agreement (2024), as effective February 9, 2024.</u>
10.3†	<u>Yum! Brands, Inc. Long Term Incentive Plan Form of Global YUM! Stock Appreciation Rights Agreement (2024).</u>
10.4†	<u>Yum! Brands Inc. Long Term Incentive Plan Form of Global Performance Share Unit Agreement (2024).</u>
15	<u>Letter from KPMG LLP regarding Unaudited Interim Financial Information (Acknowledgement of Independent Registered Public Accounting Firm)</u>
31.1	<u>Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) of Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2	<u>Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) of Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1	<u>Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2	<u>Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
†	Indicates a management contract or compensatory plan.

SIGNATURES

Pursuant to the requirement of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, duly authorized officer of the registrant.

YUM! BRANDS, INC.

(Registrant)

Date: May 7, 2024

/s/ David Russell

Senior Vice President, Finance and Corporate Controller
(Principal Accounting Officer)

**YUM! BRANDS, INC. LONG TERM INCENTIVE PLAN
FORM OF GLOBAL RESTRICTED STOCK UNIT AGREEMENT**

Grant Date:	[INSERT]
Grantee:	Name
Aggregate Number of Units Subject to Award:	xxx
Vesting Schedule:	25% on each of the first, second, third and fourth year anniversaries of the Grant Date

This **GLOBAL RESTRICTED STOCK UNIT AGREEMENT** ("Agreement") is made as of the ____th day of _____, 20__ between **YUM! BRANDS, INC.**, a North Carolina corporation ("YUM!"), and [insert] ("Participant").

1. **Award.**

(a) **Restricted Stock Units.** Pursuant to the YUM! Brands, Inc. Long Term Incentive Plan (the "Plan"), Participant is hereby awarded the aggregate number of restricted stock units set forth above evidencing the right to receive an equivalent number of shares of Stock, subject to the conditions of the Plan and this Agreement ("Restricted Stock Units").

(b) **Plan Incorporated.** Participant acknowledges receipt of a copy of the Summary Plan Description, and agrees that this award of Restricted Stock Units shall be subject to all of the terms and conditions set forth in the Plan and the Summary Plan Description, including future amendments thereto, if any, which Plan and Summary Plan Description are incorporated herein by reference as a part of this Agreement. Participant may make a written request for a copy of the Plan at any time. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. **Terms of Restricted Stock Units.** Participant hereby accepts the Restricted Stock Units and agrees with respect thereto as follows:

(a) **Assignment of Restricted Stock Units Prohibited.** The Restricted Stock Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of, except by will or the applicable laws of inheritance.

(b) **Vesting.** Provided the Participant remains continuously employed by the Company through the applicable vesting date and subject to the terms and conditions of this Agreement including, without limitation, Subsection 2(c), the Restricted Stock Units shall vest as follows (i) one-fourth (1/4) on the one-year anniversary of the Grant Date (*i.e.*, _____, 20__, which is referred to as the "Initial Vesting Date"), and (ii) after the Initial Vesting Date, an additional one-fourth (1/4) shall vest at each of (1) the two-year anniversary of the Grant Date, (2) the three-year anniversary of the Grant Date, and (3) the four-year anniversary of the Grant Date, respectively.

Except as otherwise provided herein, as long as a separation from service from YUM!, its divisions and its Subsidiaries (collectively the "Company") does not occur prior to the four year anniversary of the Grant Date ("Vesting Date"), then Participant shall become vested in all Restricted Stock Units credited to Participant under this Agreement on such Vesting Date and shares of Stock shall be issued to him or her as described in subparagraph (f) below.

(c) Effect of Termination of Employment, Death, Retirement and Special Termination.

(i) In the event the Participant's employment with the Company is involuntarily terminated by the Company other than for cause, including, without limitation, as a result of (i) a disposition (or similar transaction) with respect to an identifiable Company business or segment ("Business"), and in accordance with the terms of the transaction, the Participant and a substantial portion of the other employees of the Business continue in employment with such Business or commence employment with its acquiror, (ii) the elimination of the Participant's position within the Company, or (iii) the selection of the Participant for work force reduction (whether voluntary or involuntary), the Restricted Stock Units will pro rata vest on a monthly basis for the vesting period in which the termination occurs such that a portion of the Participant's otherwise unvested Restricted Stock Units for the vesting period in which the termination occurs will vest based on the time the Participant was employed during such vesting period up to the last day of employment (as determined in accordance with Section 4(j) below) and all unvested Restricted Stock Units will be forfeited. In the event the Participant's employment with the Company is terminated for cause, the Participant's outstanding Restricted Stock Units will be forfeited upon such termination unless otherwise provided by the Committee. In the event the Participant voluntarily terminates his or her employment with the Company, all unvested Restricted Stock Units will be forfeited.

(ii) In the event the Participant's employment with the Company is terminated by reason of Participant's death, the Restricted Stock Units will immediately vest as of the date of Participant's death.

(iii) In the event the Participant's employment with the Company is terminated by reason of Retirement (as defined in Section 22), and such Participant is Retirement eligible on his or her date of Retirement, the Participant's Restricted Stock Units will continue to vest following Participant's Retirement through the fourth anniversary of the Grant Date, provided that Participant remains actively employed by YUM! through the one-year anniversary of the Grant Date.

(iv) In the event the Participant's employment with the Company is terminated by reason of Special Termination (as defined in Section 22), the Restricted Stock Units will vest in accordance with the following: (i) if the Special Termination occurs as a result of a Special Termination as defined in Section 22(b)(i), pro rata on a monthly basis for the vesting period in which the termination occurs such that a portion of the Participant's otherwise unvested Restricted Stock Units for the vesting period in which the termination occurs will vest based on the time the Participant was employed during the vesting period up to the last day of employment (as determined in accordance with Section 4(j) below) and all unvested Restricted

Stock Units will be forfeited and (ii) if the Special Termination occurs as a result of a Special Termination as defined in Section 22(b)(ii), in accordance with the vesting schedule otherwise applicable to the Restricted Stock Units as set forth in this Agreement as though employment with the franchisee were not terminated with the Company.

(d) **Dividend Equivalent Units.** Participant will be credited with additional units ("Dividend Equivalent Units") equal to the amount of dividends that would have been paid on the Restricted Stock Units if Participant actually owned the same number of shares of Stock during the period between the Grant Date and the Vesting Date. Dividend Equivalent Units shall vest at the same time that the Restricted Stock Units vest; provided, however, that in the event the Restricted Stock Units are forfeited then any accumulated Dividend Equivalent Units will also be forfeited.

(e) **No Rights as Stockholder.** Participant shall not be a shareholder of record and therefore shall have no voting, dividend or other shareholder rights prior to the issuance of shares of Stock at vesting.

(f) **Settlement and Delivery of Stock.** Payment of vested Restricted Stock Units shall be made as soon as administratively practicable after the applicable Vesting Date but in no event later than 2-1/2 months following the year in which the Vesting Date occurs. Settlement will be made by payment in shares of Stock. Notwithstanding the foregoing, YUM! shall not be obligated to deliver any shares of Stock if counsel to YUM! determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of YUM! with, any securities exchange or association upon which the Stock is listed or quoted. YUM! shall in no event be obligated to take any affirmative action in order to cause the delivery of shares of Stock to comply with any such law, rule, regulation or agreement.

Furthermore, Participant understands that the laws of the country in which he/she is working at the time of grant or vesting of the Restricted Stock Units or at the subsequent sale of Stock granted to Participant under this Award (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may subject Participant to additional procedural or regulatory requirements he/she is solely responsible for and will have to independently fulfill in relation to ownership or sale of such Stock.

3. **Withholding of Tax.**

(a) Participant acknowledges that regardless of any action taken by YUM! or if different, Participant's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items arising out of Participant's participation in the Plan and legally applicable to Participant ("Tax-Related Items"), is and remains Participant's responsibility and may exceed the amount actually withheld by YUM! and/or the Employer. Participant further acknowledges that YUM! and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the subsequent sale of

Stock acquired under the Plan pursuant to such settlement and the receipt of any dividends or Dividend Equivalent Units; and (b) do not commit and are under no obligation to structure the terms of the grant or any aspect of the grant or any aspect of the Restricted Stock Units to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if Participant is or becomes subject to tax in more than one jurisdiction between the Grant Date and the date of any relevant taxable event or tax withholding event, as applicable, Participant acknowledges that YUM! and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant taxable or tax withholding event, as applicable, Participant shall pay or make adequate arrangements satisfactory to YUM! and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes YUM! and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with respect to Tax-Related Items by one or a combination of the following (1) withholding from Participant's wages or other cash compensation paid to Participant by YUM!, the Employer, or any Subsidiary of YUM!; or (2) withholding from the proceeds of the sale of shares of Stock acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by YUM! (on Participant's behalf pursuant to this authorization); or (3) withholding in Stock to be issued upon settlement of the Restricted Stock Units.

(c) Depending on the withholding method, YUM! or the Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case Participant will receive a refund of any over-withheld amount in cash and will have no entitlement to the Stock equivalent. If the obligation for the Tax-Related Items is satisfied by withholding in Stock, for tax purposes, Participant is deemed to have been issued the full number of shares of Stock subject to the vested Restricted Stock Units, notwithstanding that a number of shares of Stock are held back solely for the purpose of paying the Tax-Related Items.

(d) Participant shall pay to YUM! or the Employer any amount of Tax-Related Items that YUM! or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described in this Paragraph 3. YUM! may refuse to issue or deliver the Stock or the proceeds from the sale of Stock, if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

4. **Nature of Award.** In accepting the Restricted Stock Units, Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by YUM!, it is discretionary in nature and may be modified, amended, suspended or terminated by YUM! at any time, to the extent permitted by the Plan;

(b) this Award of Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past;

(c) the Restricted Stock Units and any shares acquired under the Plan are not part of normal or expected compensation or salary for any purpose;

(d) Participant acknowledges and agrees that neither YUM!, the Employer nor any Subsidiary shall be liable for any foreign exchange rate fluctuation between his or her local currency and the United States Dollar that may affect the value of the Restricted Stock Units or of any amounts due to Participant pursuant to the settlement of the Restricted Stock Units or the subsequent sale of any shares of Stock acquired upon settlement;

(e) all decisions with respect to future grants of Restricted Stock Units or other Awards, if any, will be at the sole discretion of YUM!;

(f) Participant's participation in the Plan is voluntary;

(g) this Award of Restricted Stock Units and any Stock acquired under the Plan are not intended to replace any pension rights or compensation;

(h) the future value of the Stock underlying the Restricted Stock Units is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages shall arise from termination of this Award of Restricted Stock Units or diminution in value of the Stock acquired upon settlement resulting from Participant's separation from service (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any), and in consideration of this Award of Restricted Stock Units to which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against YUM!, any of its Subsidiaries and/or the Employer, waives Participant's ability, if any, to bring any such claim, and releases YUM!, its Subsidiaries and/or the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim;

(j) for purposes of the Restricted Stock Units, Participant's employment or service relationship will be considered terminated as of the date Participant is no longer actively providing services to YUM! or one of its Subsidiaries (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any), and unless otherwise expressly provided in this Agreement or determined by YUM!, Participant's right to vest in the Restricted Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any); the Committee shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes of

the Award (including whether Participant may still be considered to be providing services while on a leave of absence);

(k) by accepting the Restricted Stock Units covered by this Agreement, Participant agrees to an amendment to the terms of all prior Global Restricted Stock Unit Agreements between the Company and Participant pursuant to which there are currently unvested Restricted Stock Units outstanding, to add a new section to such Agreements which is identical to Section 14, Restrictive Covenants, of this Agreement; and

(l) unless otherwise provided in the Plan or by YUM! in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Stock.

5. **Compensation Recovery Policy.**

(a) Participant acknowledges and agrees that the Restricted Stock Units granted to Participant under this Agreement shall be subject to the YUM! Brands, Inc. Compensation Recovery Policy, amended and restated November 16, 2023 ("Compensation Recovery Policy"), and as in effect on the date of this Agreement.

(b) This Agreement is a voluntary agreement, and each Participant who has accepted the Agreement has chosen to do so voluntarily. Participant understands that the Restricted Stock Units provided under the Agreement and all amounts paid to the individual under the Agreement are provided as an advance that is contingent on YUM!'s financial statements not being subject to a material restatement. As a condition of the Agreement, Participant specifically agrees that the Committee may cancel, rescind, suspend, withhold or otherwise limit or restrict the Restricted Stock Units for any individual party to such an agreement due to a material restatement of YUM!'s financial statements, as provided in YUM!'s Compensation Recovery Policy. In the event that amounts have been paid to Participant pursuant to the Agreement and the Committee determines that Participant must repay an amount to YUM! as a result of the Committee's cancellation, rescission, suspension, withholding or other limitation or restriction of rights, Participant agrees, as a condition of being awarded such rights, to make such repayments.

6. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or sale of the Stock acquired upon vesting of the Restricted Stock Units. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

7. **Adjustment for Change in Stock.** As set forth in the Plan, in the event of any change in the outstanding shares of Stock by reason of any stock split, stock dividend, recapitalization, merger, consolidation, combination or exchange of shares or similar corporate change, the number of shares which Participant may receive upon settlement of the Restricted Stock Units shall be adjusted appropriately in the Committee's sole discretion.

8. **Change in Control.** Notwithstanding anything in this Agreement to the contrary (including Section 2(c) above), if the Participant is employed on the date of a Change in Control (as defined in the Plan), and the Participant's employment is involuntarily terminated by the Company (other than for cause) on or within two years following the Change in Control, the outstanding Restricted Stock Units shall become fully vested.

9. **Employment Relationship.** For purposes of this Agreement, Participant shall be considered to be in the employment of the Company as long as Participant remains an employee of YUM! or any of its Subsidiaries or a corporation or a subsidiary of YUM! assuming or substituting a new award for this Award of Restricted Stock Units. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

Nothing contained in this Agreement is intended to constitute or create a contract of service or employment, nor shall it constitute or create the right to remain associated with or in the service or employ of YUM!, the Employer or any other Subsidiary or related company for any particular period of time. This Agreement shall not interfere in any way with the right of YUM!, the Employer or any Subsidiary or related company, as applicable, to terminate Participant's service or employment at any time. Furthermore, this Agreement, the Plan, and any other Plan documents are not part of Participant's employment contract, if any, and do not guarantee either Participant's right to receive any future grants of Awards or benefits in lieu thereof under this Agreement or the Plan. The Restricted Stock Units and any Stock acquired under the Plan and the income and value of same are not part of normal or expected compensation for any purposes of calculating any severance, resignation, termination, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments.

10. **Data Privacy.** *Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement and any other Award materials ("Data") by and among, as applicable, the Employer, YUM! and its Subsidiaries for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.*

Participant understands that YUM! and the Employer may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Stock or directorships held in YUM!, details of all Awards of Restricted Stock Units or any other entitlement to Stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor, for the exclusive purpose of implementing, administering and managing the Plan.

Participant understands that Data will be transferred to Merrill Lynch, which is assisting YUM! with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or

elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections from Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Participant authorizes YUM!, Merrill Lynch and any other possible recipients which may assist YUM! (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Participant understands that he or she is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing his or her consent is that YUM! would not be able to grant Participant Restricted Stock Units or other Awards or administer or maintain such Awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

11. **Mode of Communications.** Participant agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that YUM! or related company may deliver in connection with this grant and any other grants offered by YUM!, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via YUM!'s email system or by reference to a location on YUM!'s intranet or website or website of YUM!'s agent administering the Plan.

To the extent Participant has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Award in a language other than English, the English language documents will prevail in case of any ambiguities or divergences as a result of translation.

12. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Restricted Stock Units.

13. **Severability.** The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

14. **Restrictive Covenants.** By accepting the Restricted Stock Units, and in consideration of these units and receipt of confidential information from the Company during his or her employment, Participant specifically agrees to the restrictive covenants contained in this Section 14 (the "Restrictive Covenants") and agrees that the Restrictive Covenants and the remedies described herein are reasonable and necessary to protect the legitimate interests of the Company. Sections 14(b) and 14(c) apply to Participants who are Level 15 employees (or the equivalent of a Level 15 Employee) of the Company or above.

(a) **Confidentiality.** In consideration for receiving the Restricted Stock Units, Participant acknowledges that the Company is engaged in a competitive business environment and has a substantial interest in protecting its confidential information. Participant agrees that he or she has received and continues to receive, by virtue of his or her position with the Company, access to confidential information (including trade secrets) related to the Company and its business, and Participant agrees, during his or her employment with the Company and thereafter, and in consideration of receiving such information to maintain the confidentiality of the Company's confidential information and to use such confidential information for the exclusive benefit of the Company, except where disclosure is required to be made to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law or in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, nothing in this Agreement prevents Participant from disclosing information about a dispute involving alleged sexual harassment or sexual assault as protected by the federal Speak Out Act or other state or local laws nor from exercising rights under Section 7 of the NLRA to the extent applicable to Participant.

(b) **Competitive Activity.** During Participant's employment with the Company and for one year following the termination of Participant's employment for any reason whatsoever, Participant agrees and covenants that: Participant shall not either directly or indirectly, alone or in conjunction with any other party or entity, perform services, work or consulting for one or more Competitor Companies anywhere in the world. A "Competitor Company" shall be defined as: (i) any company or other entity engaged as a "quick service restaurant" ("QSR") and (ii) any company or other entity that is a delivery-oriented restaurant; and (iii) any entity under common control with an entity included in (i) or (ii), above. Competitor Companies covered under this definition include, but are not limited to: McDonald's, Domino's Pizza, Starbucks, Wendy's, Papa John's, Restaurant Brands International (including Burger King, Tim Horton's and Popeye's Chicken), Culver's, In-N-Out Burger, Sonic, Hardee's, Arby's, Jack-in-the-Box, Chick-fil-A, Chipotle, Q-doba, Panera Bread, Subway, Dunkin' Brands, Five Guys, Bojangles, Church's, Del Taco, Little Caesars, Subway, Dico's, Jollibee, Blaze, MOD Pizza, JAB Holding Company, Darden Restaurants, Inspire Brands and Focus Brands, and their respective organizations, partnerships, ventures, sister companies, franchisees, affiliates, franchisee organizations, cooperatives or any organization in which they have an interest and which are

involved in the QSR restaurant industry anywhere in the world, or which otherwise compete with Yum Brands, Inc.

In the event that any portion of this Section 14(b) shall be determined by a court or arbitrator to be unenforceable because it is unreasonably restrictive in any respect, it shall be interpreted to extend over the maximum period of time for which it reasonably may be enforced and to the maximum extent for which it reasonably may be enforced in all other respects, and enforced as so interpreted, all as determined by such court or arbitrator in such action. Participant acknowledges the uncertainty of the law in this respect and expressly stipulates that this Agreement is to be given the construction that renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law.

Notwithstanding the forgoing, the provisions of this Section 14(b) are not applicable to a Participant who is a resident of California and provides the majority of his or her services to the Company within California.

(c) Non-Solicitation. During Participant's employment and for eighteen months following the later of (i) termination of Participant's employment for any reason whatsoever or (ii) the last scheduled award vesting date, Participant shall not:

- (i) induce or attempt to induce any employee of the Company to leave the employ of Company;
- (ii) induce or attempt to induce any employee of the Company to work for, render services to, or provide advice to any third party;
- (iii) induce or attempt to induce any current or former employee of the Company to supply confidential information of Company to any third party, except where disclosure of a suspected violation of law is made to a federal, state, or local government official or to an attorney for the purpose of reporting or investigating a suspected violation of law or in a complaint or other document filed in a lawsuit or other proceeding, if such complaint or other document is filed under seal;
- (iv) employ, or otherwise pay for services rendered by, any employee of the Company in any business enterprise with which Participant may be associated, connected or affiliated;
- (v) induce or attempt to induce any customer, franchisee, supplier, licensee, licensor or other business relation of Company to cease doing business with Company, or in any way interfere with the then existing business relationship between any such customer, franchisee, supplier, licensee, licensor or other business relation and Company; or
- (vi) assist, solicit, or encourage any other third party, directly or indirectly, in carrying out any activity set forth above that would be prohibited by any of the provisions of this Agreement if such activity were carried out by Participant. In particular,

Participant will not, directly or indirectly, induce any employee of Company to carry out any such activity.

Notwithstanding the forgoing, the provisions of this Section 14(c) are not applicable to a Participant who is a resident of California and provides the majority of his or her services to the Company within California.

The Company and Participant agree that the provisions of this Section 14 contain restrictions that are not greater than necessary to protect the interests of the Company.

(d) **Partial Invalidity.** If any portion of this Section 14 is determined by a court or arbitrator to be unenforceable in any respect, it shall be interpreted to be valid to the maximum extent for which it reasonably may be enforced, and enforced as so interpreted, all as determined by such arbitrator in such action. Participant acknowledges the uncertainty of the law in this respect and expressly stipulates that this Agreement is to be given the construction that renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law.

(e) **Clawback & Recovery.** Participant agrees that a breach of any of the Restrictive Covenants set forth in this Section 14 would cause material and irreparable harm to the Company. Accordingly, Participant agrees that if the Committee, in its sole discretion, determines that Participant has violated any of the Restrictive Covenants contained in this Section 14, either during employment with the Company or after such employment terminates for any reason, the following rules shall apply:

(i) The Committee may (A) terminate such Participant's participation in the Plan and/or (B) send a "Recapture Notice" that will (1) cancel all or a portion of this or any outstanding Restricted Stock Units, (2) require the return of any shares of Stock received upon settlement of this or any prior Restricted Stock Units and/or (3) require the reimbursement to the Company of any net proceeds received from the sale of any shares of Stock acquired as a result of such settlement.

(ii) Under this Section 14, the obligation to return shares of Stock received and/or to reimburse the Company for any net proceeds received pursuant to a Recapture Notice, shall be limited to shares and/or proceeds received by Participant within the period that is one year prior to and one year following the Participant's termination of employment.

(iii) The Committee has sole and absolute discretion to take action or not to take action pursuant to this Section 14 upon determination of a breach of a Restrictive Covenant, and its decision not to take action in any particular instance shall not in any way limit its authority to send a Recapture Notice in any other instance.

(iv) Any action taken by the Committee pursuant to this Section 14(e) is without prejudice to any other action the Committee may choose to take upon determination that the Participant has violated a Restrictive Covenant contained herein.

(v) This Section 14(e) will cease to apply upon a Change in Control.

(f) Right of Set Off. By accepting the Restricted Stock Units, Participant agrees that any member of the Company Group may set off any amount owed to Participant (including wages or other compensation, fringe benefits or vacation pay) against any amounts Participant owes under this Section 14.

15. **Binding Effect**

(a) This Agreement shall be binding upon and inure to the benefit of any successors to YUM! and all persons lawfully claiming under Participant, whether by merger, consolidation or the sale of all or substantially all of YUM!'s assets. YUM! will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of YUM! to expressly assume and agree to perform this Agreement in the same manner and to the same extent that YUM! would be required to perform if no such succession had taken place.

(b) This Agreement shall be binding upon and inure to the benefit of the Participant or his or her legal representative and any person to whom a Restricted Stock Unit may be transferred by will, the applicable laws of descent and distribution or consent of the Committee.

16. **Insider Trading Restrictions/Market Abuse Laws.** Participant acknowledges that, depending on his or her country of residence, Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell shares of Stock or rights to shares of Stock (e.g., Restricted Stock Units) under the Plan during such times as Participant is considered to have "inside information" regarding YUM! (as defined by the laws in Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant is advised to speak to his or her personal advisor on this matter.

17. **Governing Law and Forum.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina. For purposes of resolving any dispute that may arise directly or indirectly from this Agreement, the parties hereby agree that any such dispute that cannot be resolved by the parties shall be submitted the Committee for resolution, and any decision by the Committee shall be final.

For purposes of litigating any dispute that arises under this grant, Participant's participation in the Plan or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Kentucky and agree that such litigation shall be conducted in the courts of Jefferson County, Kentucky, or the federal courts for the United States for the Western District of Kentucky, where this grant is made and/or to be performed.

18. **Addendum.** Notwithstanding any provisions in this Agreement, the Award of Restricted Stock Units shall be subject to any special terms and conditions set forth in any

Addendum to this Agreement for Participant's country. Moreover, if Participant relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to Participant, to the extent YUM! determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Addendum constitutes part of this Agreement.

19. **Imposition of Other Requirements.** YUM! reserves the right to impose other requirements on Participant's participation in the Plan, on the Restricted Stock Units and on any Stock acquired under the Plan, to the extent YUM! determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

20. **Waiver.** Participant acknowledges that a wavier by the company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by Participant or any other Participant.

21. **Section 409A Provisions.** Notwithstanding anything in this Agreement (or the Plan) to the contrary:

(a) It is intended that any amounts payable under this Agreement shall either be exempt from or comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and all regulations, guidance and other interpretive authority issued thereunder ("Code Section 409A") so as not to subject Participant to payment of any additional tax, penalty or interest imposed under Code Section 409A. The provisions of this Agreement shall be construed and interpreted to avoid the imputation of any such additional tax, penalty or interest under Code Section 409A yet preserve (to the nearest extent reasonably possible) the intended benefit payable to Participant. Notwithstanding the foregoing or any other provision of this Agreement, neither YUM! nor any Subsidiary guarantees the tax treatment of the award evidenced by this Agreement (or other awards under the Plan).

(b) If any payment hereunder (whether separately or together with any other payments) is subject to Code Section 409A, and if such payment or benefit is to be paid or provided on account of Participant's termination of employment (or other separation from service or termination of employment) (i) and if Participant is a specified employee (within the meaning of Code Section 409A) and if any such payment is required to be made or provided prior to the first day of the seventh month following Participant's separation from service or termination of employment, such payment shall be delayed until the first day of the seventh month following Participant's separation from service or termination of employment, and (ii) the determination as to whether Participant has had a termination of employment (or separation from service) shall be made in accordance with the provisions of Code Section 409A without application of any alternative levels of reductions of bona fide services permitted thereunder.

22. **Definitions.** As used in this Agreement, the following terms shall have the meanings set forth below:

(a) "Retirement" shall mean termination of employment by Participant on or after Participant's attainment of age 55 and 10 years of service or age 65 and 5 years of service (and not for any other reason).

(b) "Special Termination" means, (i) with respect to a Participant who has been approved as a franchisee by YUM! or any of its affiliates, the Participant's termination of employment with the Company (other than a termination by the Company for cause) to become, immediately following such termination, a franchisee of YUM! or one of its affiliates, and (ii) with respect to any Participant, the Participant's termination of employment with the Company (other than a termination by the Company for cause) to become, immediately following such termination, an employee of a franchisee of YUM! or one of its Subsidiaries as approved by an officer of YUM!. Participants who do not meet the foregoing requirements may not have a Special Termination.

IN WITNESS WHEREOF, YUM! has caused this Agreement to be duly executed by an officer thereunto duly authorized as of the date first above written.

ADDENDUM TO
YUM! BRANDS, INC. LONG TERM INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT
FOR NON-U.S. PARTICIPANTS

Terms and Conditions

This Addendum includes additional terms and conditions that govern the Award of Restricted Stock Units granted to Participant under the Yum! Brands, Inc. Long Term Incentive Plan if Participant works and/or resides in one of the countries listed below. Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Restricted Stock Unit Agreement and the Plan.

Notifications

This Addendum also includes information regarding exchange controls and certain other issues of which Participant should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of **December 2014**. Such laws are often complex and change frequently. As a result, YUM! strongly recommends that Participant not rely on the information in this Addendum as the only source of information relating to the consequences of Participant's participation in the Plan because the information may be out of date at the time that Restricted Stock Units vest or Participant sells Stock acquired at vesting of the Restricted Stock Units under the Plan.

In addition, the information contained herein is general in nature and may not apply to Participant's particular situation, and YUM! is not in a position to assure Participant of a particular result. Accordingly, Participant is advised to seek appropriate professional advice as to how the relevant laws in Participant's country may apply to his or her situation.

Finally, if Participant is a citizen or resident of a country other than the one in which he or she is currently working or transfers employment after the Grant Date, the information contained herein may not be applicable to Participant.

AUSTRALIA

Terms and Conditions

Australian Offer Document. Participant understands that the offering of the Plan in Australia is intended to qualify for exemption from the prospectus requirements under Class Order 14/1000 issued by the Australian Securities and Investments Commission. Participation in the Plan is subject to the terms and conditions set forth in the Australian Offer Document, the Plan and this Agreement provided to Participant.

Notifications

Securities Law Information. If Participant acquires Stock under the Plan pursuant to the vesting of the Restricted Stock Units and subsequently offers the Stock for sale to a person or entity resident in Australia, such an offer may be subject to disclosure requirements under Australian law, and Participant

should obtain legal advice regarding any applicable disclosure requirements prior to making any such offer.

CANADA

Terms and Conditions

Vesting and Forfeiture. This provision supplements subparagraph 2(c) of the Agreement.

In the event of Participant's involuntary separation from service (whether or not in breach of local labor laws), Participant's right to receive and vest in the Restricted Stock Units under the Plan, if any, will terminate effective as of the date that is the earlier of: (1) the date Participant receives notice of termination of service from YUM! or if different, the Employer, or (2) the date Participant is no longer actively providing service to YUM! or the Employer regardless of any notice period or period of pay in lieu of such notice required under local law (including, but not limited to, statutory law, regulatory law and/or common law); the Committee shall have the exclusive discretion to determine when Participant no longer actively providing service for purposes of the Award of Restricted Stock Units.

The following provisions will apply if Participant is a resident of Quebec:

French Language Provision.

The parties acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Data Privacy. This provision supplements Paragraph 8 of the Agreement:

Participant hereby authorizes YUM! and YUM!'s representatives to discuss and obtain all relevant information from all personnel, professional or non-professional involved in the administration of the Plan. Participant further authorizes YUM!, the Employer and any Subsidiary to disclose and discuss such information amongst themselves and with their advisors. Participant also authorizes YUM!, the Employer and any Subsidiary to record such information and to keep such information in Participant's service or employment file.

Notifications

Securities Law Information. Participant is permitted to sell Stock acquired under the Plan through the designated broker appointed under the Plan, if any, provided the resale of the Stock acquired under the Plan takes place outside of Canada, which should be the case as the Stock is currently listed on the New York Stock Exchange.

Foreign Asset/Account Reporting Information. Participant is required to report any foreign property (including shares of Stock) on form T1135 (Foreign Income Verification Statement) if the total value of Participant's foreign property exceeds C\$100,000 at any time in the year. The form must be filed by April

30th of the following year. Participant is advised to consult with his or her personal legal advisor to ensure compliance with applicable reporting obligations.

CHINA

Terms and Conditions

The following provisions apply only to nationals of the People's Republic of China (the "PRC") residing in the PRC, unless otherwise determined by YUM! or required by the State Administration of Foreign Exchange ("SAFE"):

Mandatory Sale of Shares Upon Termination of Service. To ensure compliance with exchange control laws in China, Participant agrees that any Stock issued upon settlement of the RSUs and held by Participant at the time of his or her termination of service must be sold immediately upon such termination of service. Any Stock that is not sold by Participant will be sold on his or her behalf as soon as practicable after Participant's termination of service and in no event more than six months after his or her termination of service, pursuant to this authorization (i) to YUM! to instruct its designated broker to sell such Stock and (ii) to the designated broker to assist with the sale of such Stock. Participant acknowledges that YUM!'s designated broker is under no obligation to arrange for the sale of the Stock at any particular price. Upon the sale of the Stock, YUM! agrees to pay Participant the cash proceeds from the sale of the Stock, less any brokerage fees or commissions and subject to any obligation on YUM! or the Employer to satisfy any Tax-Related Items.

Broker Account. Any Stock issued to Participant upon settlement of the RSUs must be maintained in an account with Merrill Lynch or such other broker as may be designated by YUM! until the Stock is sold through that broker.

Repatriation. Pursuant to exchange control laws in China, when the Stock acquired at settlement of the RSUs are sold, whether immediately or thereafter, including on Participant's behalf after termination of his or her service, Participant will be required to immediately repatriate the cash proceeds from the sale of the Stock and any cash dividends paid on such Stock to China. Participant further understands that, under local law, such repatriation of his or her cash proceeds will need to be effectuated through a special exchange control account established in China by YUM! or any Subsidiary or the Employer, and Participant hereby consents and agrees that any proceeds from the sale of Stock will be transferred to such special account prior to being delivered to Participant. Unless YUM! in its sole discretion decides otherwise, the proceeds will be paid to Participant in local currency. The Company is under no obligation to secure any exchange conversion rate, and YUM! may face delays in converting the proceeds to local currency due to exchange control restrictions in China. Participant agrees to bear any currency fluctuation risk between the time the Stock is sold and the time the sale proceeds are distributed through such special exchange control account.

Other. Participant further agrees to comply with any other requirements that may be imposed by YUM! in the future in order to facilitate compliance with exchange control requirements in China and to sign any agreements, forms and/or consents that may be reasonably requested by YUM! or its designated broker to effectuate any of the remittances, transfers, conversions or other processes affecting the proceeds.

Notifications

Foreign Asset and Account Reporting. Participant may be required to report to SAFE all details of their foreign financial assets and liabilities, as well as details of any economic transactions conducted with non-PRC residents. Participant should consult with his or her personal advisor in order to ensure compliance with applicable reporting requirements.

FRANCE

Term and Conditions

Language Consent. By accepting the Award of Restricted Stock Units, Participant confirms having read and understood the documents relating to this grant (the Plan and the Agreement, including this Addendum) which were provided in English language. Participant accepts the terms of those documents accordingly.

En acceptant l'attribution, vous confirmez ainsi avoir lu et compris les documents relatifs à cette attribution (le Plan et le contrat, y compris cette Annexe) qui ont été communiqués en langue anglaise. Vous acceptez les termes en connaissance de cause.

Notifications

Foreign Asset/Account Reporting Information. Participant must declare all foreign bank and brokerage accounts (including any accounts that were opened or closed during the tax year) in his or her annual income tax return.

GERMANY

Notifications

Exchange Control Information. If Participant remits proceeds in excess of €12,500 out of or into Germany, Participant must report such cross-border payment(s) to the German Federal Bank (*Bundesbank*). In case of payments in connection with securities (such as proceeds from the sale of shares of Stock acquired under the Plan), the report must be made electronically by the 5th day of the month following the month in which the payment was received. The form of the report (Allgemeine Meldeportal Statistik) can be obtained via the Bundesbank's website (www.bundesbank.de) in English and German.

HONG KONG

Terms and Conditions

Warning: The Restricted Stock Units and Stock acquired at vesting do not constitute a public offering of securities under Hong Kong law and are available only to directors of YUM! and employees of YUM! or a Subsidiary. The Agreement, including this Addendum, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong nor have the documents been reviewed by any regulatory authority in Hong Kong. If Participant is in any doubt about any of the contents of the Agreement, including this Addendum, or the Plan, Participant should obtain independent professional advice.

INDIA

Notifications

Exchange Control Information. Participant must repatriate the proceeds from the sale of Stock received in relation to the Stock to India within 90 days after receipt. Participant must also repatriate any dividends received in relation to the Stock to India within 180 days after receipt. Participant must maintain the foreign inward remittance certificate received from the bank where the foreign currency is deposited in the event that the Reserve Bank of India or the Employer requests proof of repatriation. It is Participant's responsibility to comply with applicable exchange control laws in India.

Foreign Asset/Account Reporting Information. Participant understands that he or she is required to declare foreign bank accounts and any foreign financial assets (including shares of Stock held outside India) in his or her annual tax return. Participant is advised to consult with his or her personal tax advisor to ensure compliance with this requirement.

ISRAEL

Definitions. This Agreement and the Israeli Addendum shall apply only to a Participant who is an Eligible 102 Participant as such term is defined under the Israeli Appendix / Sub-Plan, attached hereto as **Exhibit A**. Capitalized terms not otherwise defined herein and / or in the Plan shall have the meaning assigned to them in the Israeli Appendix / Sub-Plan.

Terms of Restricted Stock Units. Certain specific terms of the Restricted Stock Units granted hereunder are set forth in **Exhibit B** attached hereto.

Acceptance of Award and Acknowledgments. The Participant hereby (a) accepts the Restricted Stock Units granted under the Plan, the Israeli Appendix / Sub-Plan, and this Agreement, (b) acknowledges to have received, read and understood the Plan, the Israeli Appendix / Sub-Plan and this Agreement and (c) agrees to be bound by the terms and provisions of the Plan, the Israeli Appendix / Sub-Plan, as amended from time to time, this Agreement and the Israeli Addendum, and any tax ruling which was approved by the Israel Tax Authority with respect to the Plan and the Israeli Appendix / Sub-Plan.

Vesting. The following provision supplements Section 2(b) of the Agreement:

The Company shall notify the Participant in writing that upon the Vesting Date, shares of Stock shall be issued to him or her without consideration, all as described in subparagraph 2(f) of the Agreement.

Dividend Equivalent Units. The following provision supplements Section 2(d) of the Agreement:

Any Dividend Equivalent Units shall be held by a global stock plan administrator or the Trustee, and any Stock allocated or issued upon the vesting of the Dividend Equivalent Units shall only be transferred and held by the Trustee in trust for the benefit of the Participant. The Trustee shall be entitled to withhold taxes according to any requirement under applicable laws, rules, tax rulings and regulations.

Taxation. The following provision supplements Section 3 of the Agreement:

Notwithstanding the above, a Participant who was granted a Restricted Stock Unit under Section 102, declares and acknowledges that:

(a) The Participant accepts and agrees that with respect to any 102 Trustee Grant granted to him or her, subject to the provisions of Section 102 and any rules or regulation or orders or procedures promulgated thereunder, he or she shall not sell or release from trust any Stock received by him or her upon vesting of any Restricted Stock Unit or any share received subsequently following any realization of rights, including without limitation, bonus shares and Dividend Equivalent Units until the lapse of the Required Holding Period under Section 102 of the Ordinance. Notwithstanding the above, the Participant is aware that if any such sale or release occurs during the Required Holding Period (and such sale or release is not allowed by Section 102 of the Ordinance), the sanctions under Section 102 of the Ordinance and under any rules or regulation or orders or procedures promulgated thereunder shall apply to him or her and shall be borne solely by him or her.

(a) With respect to 102 Trustee Grant, the Participant hereby acknowledges that he or she is familiar with the provisions of Section 102 and the regulations and rules promulgated thereunder, including without limitations the type of Restricted Stock Unit granted to him or her hereunder and the tax implications applicable to such grant.

(b) Should any Non-Trustee Grant be granted to the Participant, the Participant hereby agrees that should he or she cease to be employed by the Company or any Affiliate the Participant shall extend to the Company and/or its Affiliate a security or guarantee for the payment of tax due at the time of sale of the Stock, all in accordance with the provisions of Section 102 and the rules, regulation or orders promulgated thereunder.

(c) By signing this Agreement the Participant acknowledges that he or she is aware and agree that any tax consequences arising from the grant of any Restricted Stock Unit (or Dividend Equivalent Units), from the vesting thereof, from the payment for Stock or from any other event or act (of the Company and/or its Affiliates, the Trustee, or the Participant himself) hereunder, shall be borne solely by him or her. The Company and/or its Affiliates and/or the Trustee shall be entitled to withhold taxes according to any requirement under applicable laws, rules, tax rulings and regulations. Furthermore, the Participant hereby agrees and undertakes to indemnify and reimburse the Company and/or its Affiliates and/or their respective employees, officers, directors or any person acting on their behalf, and/or the Trustee, as the case may be, and hold each of them harmless against and from any and all liability for any tax (including, without limitation, income tax, national insurance and health tax), interest, linkage differentials and penalties thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to such Participant.

(d) The Participant will not be entitled to receive from the Company any Stock allocated or issued upon the vesting of his or her Restricted Stock Units prior to the full payments of his or her tax liabilities arising from Restricted Stock Units which were granted to him or her and/or Stock issued upon the vesting of the Restricted Stock Units. For the avoidance of doubt, neither the Company nor the Trustee shall be required to affect or complete any registration or recordation in its corporate books and records in respect of any Stock issuable upon the vesting of Restricted Stock Units by the Participant nor

release any share certificate to the Participant until all payments required to be made by the Participant have been fully satisfied.

(e) The Participant hereby undertakes not to have any claim against the Company or any of its directors, employees, shareholders or advisors if it emerges, at the time of grant, vesting or recipient of the Restricted Stock Units, that the Participant's investment in the Stock was not worthwhile, for any reason whatsoever.

(f) With respect to the Restricted Stock Units, by signing this Agreement the Participant hereby confirms the following:

- (i) He or she has been notified that the receipt of the Restricted Stock Units, the Dividend Equivalent Units and the disposition of the Stock to be issued upon the vesting of the Restricted Stock Units and Dividend Equivalent Units may result in tax consequences to the Participant, and that the Participant has been advised by the Company to consult a tax adviser in this respect;
- (ii) Neither the Company nor any of its employees, officers, directors or any other person acting on its behalf (including representatives, legal counsels and tax advisers) have or shall be deemed to have provided the Participant any advice with respect to the grant of any Restricted Stock Units, the terms of this Agreement (including the Israeli Addendum), or any other document, or with respect to any tax consequences.

Trustee.

(a) With respect to the Restricted Stock Units granted pursuant hereto, by signing and delivering this Agreement, the Participant hereby confirms that he or she read the provisions of the Trust Agreement, a copy of which is attached hereto as **Exhibit C**, and that the terms and conditions thereof are hereby agreed and acknowledged and it is agreed that a condition to the grant of the Restricted Stock Units is the Participant's agreement to be bound by, and comply with, its provisions.

- (a) The grant of the Restricted Stock Units is conditioned upon the Participant signing all documents requested by the Company, the Trustee and the ITA (if required).
- (b) The Company may replace the Trust Agreement or amend, cancel, renew or replace the terms of the Agreement at any time, at its sole discretion, subject to the provisions of Section 102.
- (c) By signing and delivering this Agreement, the Participant hereby confirms that he or she is aware that the Restricted Stock Units and Dividend Equivalent Units may be held by a global stock plan administrator other than the Trustee, and that any Stock allocated or issued upon the vesting of his or her Restricted Stock Units shall only be transferred and held by the Trustee in trust for the benefit of the Participant. In any event, any Restricted Stock Units, Dividend Equivalent Units (or any Stock allocated or issued upon the vesting of his or her Restricted Stock Units and Dividend Equivalent Units) shall not be

transferred directly from the global stock plan administrator to the Participant or any other person other than the Trustee.

Data Protection. The following provision supplements Section 10 of the Agreement:

The Participant acknowledges that he/she is not obligated by law to provide any personal data under this Agreement, and that any such provision of personal data is subject to his/her own free will.

Exhibits. Exhibits A-C attached hereto shall be considered an integral part of this Israeli Addendum.

Participant Confirmation

I, the undersigned, hereby acknowledge receipt of a copy of the Plan and the Israeli Appendix / Sub-Plan and accept the grant of the Restricted Stock Units subject to all of the terms and provisions thereof and herein.

I have reviewed the Plan, the Israeli Appendix / Sub-Plan and this Agreement (including the Israeli Addendum) in its entirety, have had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understand all provisions of this Agreement.

I agree to notify the Company immediately upon any change in the email address indicated below.

I, THE UNDERSIGNED, ACKNOWLEDGE THAT I AM FAMILIAR WITH THE ENGLISH LANGUAGE AND DO NOT REQUIRE TRANSLATION OF THIS APPROVAL AND ANY ANNEXED DOCUMENTS TO ANY OTHER LANGUAGE. I FURTHER ACKNOWLEDGE THAT I HAVE BEEN ADVISED BY THE COMPANY THAT I SHOULD CONSULT AN ATTORNEY WITH RESPECT TO, AND BEFORE EXECUTING, THIS GRANT LETTER APPROVAL AND THAT I HAVE BEEN AFFORDED AN OPPORTUNITY TO DO SO.

אני, הח"מ, מצהיר/ה בזאת כי השפה האנגלית מוכרת לי וכי איני זקוק/ה לתרגום של אישור זה והמסמכים המצ"ב לשפה אחרת. אני גם מצהיר/ה ומודיע/ה כי הומלץ בפניי על ידי החברה לקבל ייעוץ משפטי בקשר למכתב הענקת ואישור זה בטרם החתימה עליו וכי ניתנה לי הזדמנות נאותה לעשות כן.

ITALY

Terms and Conditions

Data Privacy. This provision replaces Paragraph 8 of the Agreement:

Participant understands that the Employer and YUM! and any Subsidiary may hold certain personal information about him or her, including, but not limited to, Participant's name, home address, telephone number, date of birth, social insurance or other identification number, salary, nationality,

job title, any Stock or directorships held in YUM!, details of all Restricted Stock Units and other awards or entitlements to Stock awarded, canceled, exercised, vested, unvested, settled or outstanding in Participant's favor ("Data"), for the purpose of implementing, managing and administering the Plan.

Participant also understands that providing YUM! with Data is necessary for the performance of the Plan and that his or her refusal to provide such Data would make it impossible for YUM! to perform its contractual obligations and may affect Participant's ability to participate in the Plan. The controller of personal data processing is YUM! with registered offices at 1441 Gardiner Lane, Louisville, Kentucky 40213, United States and, pursuant to Legislative Decree no. 196/2003, its representative in Italy for privacy purposes is KFC Italy S.r.l., with registered offices at c/o Cocuzza & Associati, Via San Giovanni Sul Muro 18, Milan.

Participant understands that Data will not be publicized or used for direct marketing purposes. Participant further understand that the Employer and YUM! and any Subsidiary will transfer Data among themselves as necessary for the purposes of implementing, administering and managing Participant's participation in the Plan, and that the Employer and YUM! and any Subsidiary may each further transfer Data to Merrill Lynch or such other stock plan service provider as may be selected by YUM!, which is assisting YUM! with the implementation, administration and management of the Plan. Data may also be transferred to certain other third parties assisting YUM! with the implementation, administration and management of the Plan, including any transfer of such Data as may be required to a broker or other third party with whom Participant may elect to deposit any Stock acquired under the Plan subject to the terms of the Agreement. Such recipients may receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing Participant's participation in the Plan. Participant understands that these recipients may be located inside or outside of the European Economic Area, such as in the United States or elsewhere. Should YUM! exercise its discretion in suspending all necessary legal obligations connected with the administration and management of the Plan, it will delete Data as soon as it has completed all of the necessary legal obligations connected with such administration and management of the Plan.

Participant understands that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions, as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

The use, processing and transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require Participant's consent thereto, as such use, processing and transfer is necessary to performance of contractual obligations related to implementation, administration, and management of the Plan, as discussed above. Participant understands that, pursuant to Section 7 of the Legislative Decree no. 196/2003, Participant has the right, including but not limited to, access, delete, update, correct, or terminate, for legitimate reason, the use, processing and transfer of Data. For more information on the collection, use, processing and transfer set forth in this document, Participant understands that he or she may contact the human resources representative designated by the Employer and/or YUM!.

Grant Document Acknowledgment. In accepting the Restricted Stock Units, Participant acknowledges that he or she has received a copy of the Plan, the Summary Plan Description and the Agreement and has reviewed the documents in their entirety and fully understand and accept all provisions contained therein. Participant acknowledges, further, that he or she may request a written copy of the Plan at any time.

Participant further acknowledges that he or she has read and specifically and expressly approves the following provisions of the Agreement: subparagraph 2(c) Vesting and Forfeiture; Paragraph 3 Withholding of Tax; Paragraph 4 Nature of Award; Paragraph 5 Compensation Recovery Policy; Paragraph 7 Employment Relationship; Paragraph 14 Governing Law and Forum; and the Data Privacy section of this Addendum (above).

Notifications

Foreign Asset/Account Reporting Information. If Participant holds investments abroad or foreign financial assets (e.g., Stock acquired under the Plan or cash from the sale of such Stock, etc.) that may generate income taxable in Italy, Participant is required to report them on his or her annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value.

Foreign Asset Tax Information. The value of the financial assets (e.g., Stock acquired under the Plan or cash from the sale of such Stock, etc.) held outside of Italy by Italian residents is subject to a foreign asset tax levied at an annual rate of 0.2%. The taxable amount will be the fair market value of the financial assets assessed at the end of the calendar year.

JAPAN

Notifications

Foreign Asset/Account Reporting Information. Participant is required to report details of assets held outside of Japan as of December 31st, including shares of Stock acquired under the Plan, to the extent such assets have a total net fair market value exceeding €50,000. The report will be due by March 15th each year. Participant is advised to consult with his or her personal tax advisor to ensure compliance with this requirement.

KOREA

Notifications

Exchange Control Information. Exchange control laws require Korean residents who realize US\$500,000 or more from the sale of Stock or the receipt of dividends to repatriate the proceeds to Korea within 18 months of the sale.

Foreign Asset/Account Reporting Information. Korean residents must declare all foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds KRW 1 billion (or an equivalent amount in foreign currency). Participant is advised to consult with his or her personal tax advisor to ensure compliance with this requirement.

NETHERLANDS

No country-specific requirements apply.

RUSSIA

Terms and Conditions

U.S. Securities Transaction. Participant understands that this Award of Restricted Stock Units shall be valid and the Agreement shall be concluded and become effective only when the Agreement is received electronically or otherwise by YUM! in the United States.

Notifications

Securities Law Information. This Addendum, the Agreement, the Plan and all other materials that Participant may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. The issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia. In no event will Stock be delivered to Participant in Russia; instead, all Stock acquired upon vesting of the Restricted Stock Units will be maintained on Participant's behalf in the United States.

Exchange Control Notification. Under current exchange control regulations, within a reasonably short time after sale of Stock acquired under the Plan, Participant must repatriate the sale proceeds to Russia. Such sale proceeds must be credited initially to Participant through a foreign currency account at an authorized bank in Russia. After the sale proceeds are initially received in Russia, the funds may be further remitted to foreign banks in accordance with Russian exchange control laws.

Participant should consult his or her personal advisor before remitting any sale proceeds to Russia, as exchange control requirements may change.

SINGAPORE

Terms and Conditions

The following variation in the terms and conditions set forth in this Agreement only applies to Participants who are U.S. citizens, residents, or green card holders employed by a Subsidiary organized under the laws of Singapore.

Forfeiture of Restricted Stock Units. Notwithstanding subparagraph 2(c) of the Agreement, in the event of termination of Participant's service with the employing Subsidiary as the result of Retirement, Participant shall forfeit all Restricted Stock Units to the extent they are not fully vested at the time of such separation from service as determined in accordance with subparagraph 4(j) of this Agreement.

Notifications

Securities Law Information. The Restricted Stock Units are being granted to Participant pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Participant should note that such Award of Restricted Stock Units is subject to section 257 of the SFA and Participant will not be able to make any subsequent sale in Singapore, or any offer of such subsequent sale of Stock underlying the Restricted Stock Units unless such sale or offer in Singapore is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Cap 289, 2006 Ed.).

Director Notification Obligation. If Participant is a director, associate director or shadow director of YUM! or a Singaporean Subsidiary, Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singaporean Subsidiary in writing when Participant receives an interest (e.g., Restricted Stock Units, Stock) in YUM! or any related companies. Please contact YUM! to obtain a copy of the notification form. In addition, Participant must notify YUM! or Singaporean Subsidiary when Participant sells Stock of YUM! or any related company (including when Participant sell Stock acquired under the Plan). These notifications must be made within two days of acquiring or disposing of any interest in YUM! or any related company. In addition, a notification must be made of Participant's interests in YUM! or any related company within two days of becoming a director.

SOUTH AFRICA

Terms and Conditions

Withholding of Tax. The following provision supplements Paragraph 3 of the Agreement:

By accepting the Restricted Stock Units, Participant agrees that, immediately upon settlement of the Restricted Stock Units, Participant will notify the Employer of the amount of any gain realized. If Participant fails to advise the Employer of the gain realized upon settlement, Participant may be liable for a fine. Participant will be solely responsible for paying any difference between the actual tax liability and the amount withheld by the Employer.

SPAIN

Terms and Conditions

Labor Law Acknowledgement. The following provision supplements Paragraph 4 of the Agreement:

Participant understands that YUM! has unilaterally, gratuitously and in its sole discretion decided to grant Restricted Stock Units to select Eligible Individuals who meet the eligibility requirements set forth in the Plan. The decision is a limited decision, which is entered into upon the express assumption and condition that any Restricted Stock Units granted will not economically or otherwise bind YUM! or any of its Subsidiaries on an ongoing basis, other than as expressly set forth in the Agreement. Consequently, Participant understands that the Restricted Stock Units granted hereunder are given on the assumption and condition that they shall not become a part of any employment contract (either with YUM! or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from any gratuitous and discretionary grant of Restricted Stock Units since the future value of the Restricted Stock Units and the underlying Stock is unknown and unpredictable. In addition, Participant understands that any Restricted Stock Units granted hereunder would not be made but for the assumptions and conditions referred to above; thus, Participant understands, acknowledges and freely accepts that, should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of Restricted Stock Units or right to Restricted Stock Units shall be null and void.

Further, the vesting of the Restricted Stock Units is expressly conditioned on Participant's continued and active rendering of service, such that if his or her employment terminates for any reason whatsoever, the Restricted Stock Units may cease vesting immediately, in whole or in part, effective on the date of

Participant's termination of employment except as otherwise specified in Paragraph 2 of the Agreement. This will be the case, for example, even if (1) Participant is considered to be unfairly dismissed without good cause; (2) Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) Participant terminates service due to a change of work location, duties or any other employment or contractual condition; (4) Participant terminates service due to a unilateral breach of contract by YUM! or a Subsidiary; or (5) Participant's employment terminates for any other reason whatsoever. Consequently, upon termination of Participant's employment for any of the above reasons, Participant may automatically lose any rights to Restricted Stock Units that were not vested on the date of Participant's termination of employment unless otherwise provided in Paragraph 2 of the Agreement.

Participant acknowledges that he or she has read and specifically accept the conditions referred to in Paragraph 4 of the Agreement.

Notifications

Securities Law Information. No "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish territory. The Agreement, including this Addendum, has not been nor will it be registered with the Comisión Nacional del Mercado de Valores, and does not constitute a public offering prospectus.

Exchange Control Information. If Participant acquires Stock under the Plan, Participant must declare the acquisition to the Dirección General de Comercio e Inversiones (the "DGCI"). If Participant acquires the Stock through the use of a Spanish financial institution, that institution will automatically make the declaration to the DGCI; otherwise, Participant will be required to make the declaration by filing a D-6 form. Participant must declare ownership of any Stock with the DGCI each January while the Stock is owned and must also report, in January, any sale of shares of Stock that occurred in the previous year for which the report is being made, unless the sale proceeds exceed the applicable threshold, in which case the report is due within one month of the sale.

Foreign Asset/Account Reporting Information. Participant is required to declare electronically to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the shares held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceed €1,000,000.

Further, effective January 1, 2013, to the extent that Participant holds shares and/or have bank accounts outside Spain with a value in excess of €50,000 (for each type of asset) as of December 31 each year, Participant will be required to report information on such assets in his or her tax return (tax form 720) for such year. After such shares and/or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously-reported shares or accounts increases by more than €20,000. If the value of such shares and/or accounts as of December 31 does not exceed €50,000, a summarized form of declaration may be presented.

SWITZERLAND

Notifications

Securities Law Information. The Award of Restricted Stock Units is considered a private offering in Switzerland; therefore, it is not subject to registration.

THAILAND

Notifications

Exchange Control Information. Participant must immediately repatriate the proceeds from the sale of Stock and any dividends to Thailand immediately upon receipt if the amount of received in a single transaction is US\$50,000 or more. Participant must then either convert the funds to Thai Baht or deposit the amount in a foreign currency deposit account maintained by a bank in Thailand within 360 days of repatriating the amount to Thailand. If the repatriated amount is US\$50,000 or more, Participant must report the inward remittance by submitting the Foreign Exchange Transaction Form to the authorized agent or the Bank of Thailand. Participant is solely responsible for complying with applicable exchange control rules in Thailand and is advised to consult with his or her personal advisor to ensure such compliance.

TURKEY

Notifications

Securities Law Information. Participant is not permitted to sell shares of Stock acquired under the Plan in Turkey. Participant must sell such shares outside of Turkey. The Stock is currently traded on the New York Stock Exchange under the ticker symbol "YUM" and shares of Stock may be sold on this exchange, which is located outside of Turkey.

Exchange Control Information. Pursuant to Decree No. 32 on the Protection of the Value of the Turkish Currency ("Decree 32") and Communiqué No. 2008-32/34 on Decree 32, any activity related to investments in foreign securities (e.g., the sale of shares of Stock under the Plan, the receipt of cash dividends or any portion of Dividend Equivalent Units paid in cash) must be conducted through a bank or financial intermediary institution licensed by the Turkish Capital Markets Board and should be reported to the Turkish Capital Markets Board. Participant is solely responsible for complying with Turkish exchange control requirements and is advised to contact a personal legal advisor for further information regarding these requirements.

UNITED ARAB EMIRATES (DUBAI)

Terms and Conditions

The following variation in the terms and conditions set forth in this Agreement only applies to Participants who are U.S. citizens, residents, or green card holders employed by a Subsidiary organized under the laws of the UAE.

Forfeiture of Restricted Stock Units. Notwithstanding subparagraph 2(c) of the Agreement, in the event of termination of Participant's service with the employing Subsidiary as the result of Retirement, Participant shall forfeit all Restricted Stock Units to the extent they are not fully vested at the time of such separation from service as determined in accordance with subparagraph 4(j) of this Agreement.

Notifications

Securities Law Information. The offer of Restricted Stock Units under the Plan is made only to individuals who satisfy the definition of Eligible Individuals in the Plan, and constitutes an "exempt

personal offer" of equity incentives to employees in the United Arab Emirates. This Agreement, the Plan and any other documents related to the Award of Restricted Stock Units are intended for distribution only to Eligible Individuals and must not be delivered to, or relied on, by any other person.

The Emirates Securities and Commodities Authority and/or the Central Bank have no responsibility for reviewing or verifying any documents in connection with this statement. The Ministry of Economy, the Dubai Department of Economic Development, the Emirates Securities and Commodities Authority, Central Bank and the Dubai Financial Securities Authority have not approved this statement, the Plan, this Agreement or any other documents related to the Award of Restricted Stock Units or taken steps to verify the information set out therein and have no responsibility for such documents.

If Participant does not understand the contents of this Agreement or the Plan, Participant should consult his or her personal financial advisor.

UNITED KINGDOM

Terms and Conditions

Withholding of Tax. The following provisions supplement Paragraph 3 of the Agreement:

Participant agrees that, if Participant does not pay or the Employer or YUM! does not withhold from Participant the full amount of Tax-Related Items that Participant owes at vesting of the Restricted Stock Units, or the release or assignment of the Restricted Stock Units for consideration, or the receipt of any other benefit in connection with the Restricted Stock Units (the "Taxable Event") within 90 days after the end of the tax year in which the Taxable Event occurs, or such other period specified in section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), then the amount that should have been withheld shall constitute a loan owed by Participant to the Employer, effective on the Due Date. Participant agrees that the loan will bear interest at Her Majesty's Revenue & Customs' ("HMRC's") official rate and will be immediately due and repayable by Participant, and YUM! and/or the Employer may recover it at any time thereafter by any of the means set forth in Paragraph 3 of the Agreement. Participant also authorizes YUM! to delay the delivery of Stock unless and until the loan is repaid in full.

Notwithstanding the foregoing, if Participant is an officer or executive director (as within the meaning of section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that Participant is an officer or executive director and Tax-Related Items are not collected from or paid by Participant by the Due Date, the amount of any uncollected Tax-Related Items will constitute a benefit to Participant on which additional income tax and National Insurance Contributions ("NICs") will be payable. Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Employer for the value of any NICs due on this additional benefit. Participant acknowledges that YUM! or the Employer may recover any such amounts by any of the means referred to in Paragraph 3 of the Agreement.

BY PARTICIPATING IN THE PLAN, I AM DEEMED TO ACCEPT THE GRANT BY YUM! BRANDS, INC. OF THE RESTRICTED STOCK UNITS, AND I HEREBY AGREE TO THE TERMS AND CONDITIONS SET FORTH IN THIS RESTRICTED STOCK UNIT AGREEMENT DATED _____, _____.

YUM! BRANDS, INC.

By: /s/ Tracy Skeans

Tracy Skeans

YUM! Brands, Inc., Chief Operating Officer and Chief People Officer

YUM! BRANDS, INC.
LONG TERM INCENTIVE PLAN

FORM OF GLOBAL YUM! STOCK APPRECIATION RIGHTS AGREEMENT

This Global YUM! Stock Appreciation Rights Agreement is made as of the ____th day of _____, _____, by and between YUM! Brands, Inc., a North Carolina corporation having its principal office at 1441 Gardiner Lane, Louisville, Kentucky 40213, U.S.A. ("YUM!"), and [Insert] (the "Participant").

W I T N E S S E T H

WHEREAS, the shareholders of YUM! approved the YUM! Brands, Inc. Long Term Incentive Plan (the "Plan"), for the purposes and subject to the provisions set forth in the Plan;

WHEREAS, pursuant to authority granted to it in said Plan, the Management Planning and Development Committee of the Board of Directors of YUM! (the "Committee"), has granted to the Participant stock appreciation rights (to be known hereinafter as "YUM! Stock Appreciation Rights") with respect to the number of shares of YUM! common stock as set forth below;

WHEREAS, YUM! Stock Appreciation Rights granted under the Plan are to be evidenced by an Award Agreement in such form and containing such terms and conditions as the Committee shall determine;

WHEREAS, capitalized terms used but not defined in this Global YUM! Stock Appreciation Rights Agreement shall have the meaning set forth in the Plan;

NOW, THEREFORE, it is mutually agreed as follows:

1. Grant. In consideration of the Participant remaining in the employ of YUM! or one of its divisions or direct or indirect Subsidiaries (collectively the "Company"), YUM! hereby grants to the Participant, as of _____, 20__ (the "Grant Date"), on the terms and conditions set forth in this Global YUM! Stock Appreciation Rights Agreement, including any country-specific terms set forth in the attached appendix (the "Appendix" and together with the Global YUM! Stock Appreciation Rights Agreement, the "Agreement") and the Plan, stock appreciation rights with respect to an aggregate number of shares of Stock set forth in the Participant's letter from YUM!'s Chief Operating Officer and Chief People Officer (the "Covered Shares"), with an Exercise Price of \$_____ per share, which was the Closing Value (as defined in Section 25) of a share of Stock on the Grant Date.

2. Exercisability.

(a) Provided the Participant remains continuously employed by the Company through the applicable vesting date and subject to the terms and conditions of this Agreement including, without limitation, Section 4, the YUM! Stock Appreciation Right shall vest and become

exercisable (i) with respect to one-fourth (1/4) of the Covered Shares on the one-year anniversary of the Grant Date (e., _____, 20__, which is referred to as the "Initial Vesting Date"), and (ii) after the Initial Vesting Date, with respect to an additional one-fourth (1/4) of the Covered Shares at each of (1) the two-year anniversary of the Grant Date, (2) the three-year anniversary of the Grant Date, and (3) the four-year anniversary of the Grant Date, respectively.

(b) Exercisable YUM! Stock Appreciation Rights must be exercised no later than 4PM Eastern Standard Time ("EST"), _____, 20__. The time during which YUM! Stock Appreciation Rights are exercisable is referred to as the "YUM! Stock Appreciation Right Term." If the expiration date falls on a New York Stock Exchange market holiday or weekend, 4PM EST will mean the business day prior to the expiration date.

(c) Once exercisable and until the end of the YUM! Stock Appreciation Term or such earlier date of the termination of the YUM! Stock Appreciation Rights as set forth in Section 4, all or a portion of the exercisable YUM! Stock Appreciation Rights may be exercised from time to time and at any time under procedures that the Committee shall establish from time to time, including, without limitation, procedures regarding the frequency of exercise and the minimum number of YUM! Stock Appreciation Rights which may be exercised at any time. Fractional YUM! Stock Appreciation Rights may not be exercised and no fractional shares shall be deliverable hereunder. No omission to exercise a YUM! Stock Appreciation Right shall result in the lapse of any other YUM! Stock Appreciation Right granted hereunder until the forfeiture, expiration or termination of such YUM! Stock Appreciation Right. The YUM! Stock Appreciation Rights shall terminate and expire no later than the end of the YUM! Stock Appreciation Right Term.

3. Exercise Procedure. Subject to the terms and conditions set forth herein, YUM! Stock Appreciation Rights may be exercised by giving notice of exercise to Merrill Lynch, the stock plan administrator (or any other stock plan administrator or vendor designated by YUM!) in the manner specified from time to time by YUM! or the stock plan administrator. Upon the exercise of a YUM! Stock Appreciation Right with respect to a share of Stock, the Participant shall receive an amount from YUM! which is equal to the excess of the market price of a share of Stock at the time of exercise over the Exercise Price of one share of Stock. Such amount will be paid to the Participant, in shares of Stock (based on the market price of such shares at the date of exercise), and in cash with respect to any fractional shares or in a combination thereof as determined by the Committee in its sole discretion, subject to satisfaction of all Tax-Related Items (as defined in Section 6 below).

4. Effect of Termination of Employment, Death, Retirement and Special Termination

(a) The Participant shall have a period of 90 days following the Participant's termination of employment with the Company (as determined in accordance with Section 7(h) below) to exercise YUM! Stock Appreciation Rights that are vested and exercisable as of the Participant's last day of employment, but such exercise period shall not extend beyond the end of the YUM! Stock Appreciation Right Term. Except as otherwise provided in this Section 4 or as otherwise provided by the Committee, the YUM! Stock Appreciation Rights shall automatically

expire, and no YUM! Stock Appreciation Right may be exercised after, such 90-day period (or, if earlier, the last day of the YUM! Stock Appreciation Right Term).

(b) In the event the Participant's employment with the Company is involuntarily terminated by the Company other than for cause, including, without limitation, as a result of (i) a disposition (or similar transaction) with respect to an identifiable Company business or segment ("Business"), and in accordance with the terms of the transaction, the Participant and a substantial portion of the other employees of the Business continue in employment with such Business or commence employment with its acquiror, (ii) the elimination of the Participant's position within the Company, or (iii) the selection of the Participant for work force reduction (whether voluntary or involuntary), the YUM! Stock Appreciation Rights will pro rata vest on a monthly basis for the vesting period in which the termination occurs such that a portion of the Participant's otherwise unvested YUM! Stock Appreciation Rights for the vesting period in which the termination occurs will vest based on the time the Participant was employed during such vesting period up to the last day of employment (as determined in accordance with Section 7(h) below) and all unvested YUM! Stock Appreciation Rights will be forfeited. In the event the Participant's employment with the Company is terminated for cause, the Participant's outstanding YUM! Stock Appreciation Rights will be forfeited and become unexercisable upon such termination unless otherwise provided by the Committee.

(c) In the event the Participant's employment with the Company is terminated by reason of Participant's death, the YUM! Stock Appreciation Rights will immediately vest as of the date of Participant's death. The Participant's vested YUM! Stock Appreciation Rights vested pursuant to this paragraph may be exercised before the earlier of: (i) the five year anniversary of the Participant's death or (ii) the end of the Stock Appreciation Right Term set forth in this Agreement. The Participant's vested YUM! Stock Appreciation Rights may be exercised during the YUM! Stock Appreciation Right Term in accordance with this Agreement.

(d) In the event the Participant's employment with the Company is terminated by reason of Retirement (as defined in Section 25), and such Participant is Retirement eligible on his or her date of Retirement, the Participant's YUM! Stock Appreciation Rights will continue to vest following Participant's Retirement through the fourth anniversary of the Grant Date, provided that Participant remains actively employed by YUM! through the one year anniversary of the Grant Date. The Participant's vested YUM! Stock Appreciation Rights that vest pursuant to this paragraph must be exercised before the earlier of: (i) the five year anniversary of the Participant's Retirement or (ii) the end of the Stock Appreciation Right Term set forth in this Agreement and all unvested YUM! Stock Appreciation Rights will be forfeited. The Participant's vested YUM! Stock Appreciation Rights may be exercised during the YUM! Stock Appreciation Right Term in accordance with this Agreement.

(e) In the event the Participant's employment with the Company is terminated by reason of Special Termination (as defined in Section 25), the YUM! Stock Appreciation Rights will vest in accordance with the following: (i) if the Special Termination occurs as a result of a Special Termination as defined in Section 25(c)(i), pro rata on a monthly basis for the vesting period in which the termination occurs such that a portion of the Participant's otherwise unvested

YUM! Stock Appreciation Rights for the vesting period in which the termination occurs will vest based on the time the Participant was employed during the vesting period up to the last day of employment (as determined in accordance with Section 7(h) below) and all unvested YUM! Stock Appreciation Rights will be forfeited and (ii) if the Special Termination occurs as a result of a Special Termination as defined in Section 25(c)(ii), in accordance with the vesting schedule otherwise applicable to the YUM! Stock Appreciation Rights as set forth in this Agreement as though employment with the franchisee were not termination with the Company. The Participant's vested YUM! Stock Appreciation Rights may be exercised during the YUM! Stock Appreciation Right Term in accordance with this Agreement.

5. Compensation Recovery Policy

(a) The Participant acknowledges and agrees that the YUM! Stock Appreciation Rights granted to Participant under this Agreement shall be subject to the YUM! Brands, Inc. Compensation Recovery Policy, amended and restated November 16, 2023 ("Compensation Recovery Policy"), and as in effect on the date of this Agreement.

(b) This Agreement is a voluntary agreement, and each Participant who has accepted the Agreement has chosen to do so voluntarily. The Participant understands that all YUM! Stock Appreciation Rights provided under the Agreement and all amounts paid to the individual under the Agreement are provided as an advance that is contingent on YUM!'s financial statements not being subject to a material restatement. As a condition of the Agreement, the Participant specifically agrees that the Committee may cancel, rescind, suspend, withhold or otherwise limit or restrict the YUM! Stock Appreciation Rights for any individual party to such an agreement due to a material restatement of YUM!'s financial statements, as provided in the Compensation Recovery Policy. In the event that amounts have been paid to the Participant pursuant to the Agreement and the Committee determines that the Participant must repay an amount to the Company as a result of the Committee's cancellation, rescission, suspension, withholding or other limitation or restriction of rights, the Participant agrees, as a condition of being awarded such rights, to make such repayments.

6. Responsibility for Taxes. Regardless of any action YUM! or the Participant's employer (if different) (the "Employer") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Participant's participation in the Plan that are legally applicable to the Participant ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains his or her responsibility and that such liability may exceed the amount actually withheld by YUM! or the Employer. The Participant further acknowledges that YUM! and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of any YUM! Stock Appreciation Right, including the grant, vesting or exercise of the YUM! Stock Appreciation Right, the subsequent sale of shares acquired under the Plan and the receipt of any dividends; and (b) do not commit and are under no obligation to structure the terms of the grant or any aspect of a YUM! Stock Appreciation Right to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant becomes subject to tax and/or social security contributions in more

than one jurisdiction between the Grant Date and the date of any relevant taxable, tax and/or social security contribution withholding event, as applicable, the Participant acknowledges that YUM! and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable, tax and/or social security contribution withholding event, the Participant shall pay or make adequate arrangements satisfactory to YUM! and/or the Employer to satisfy all Tax-Related Items. In this regard, the Participant authorizes YUM! and/or the Employer, at their sole discretion, to satisfy the obligations with respect to Tax-Related Items by one or a combination of the following: (i) withholding from the Participant's wages or other cash compensation paid to him or her by YUM! and/or the Employer; or (ii) withholding from the proceeds of the sale of shares acquired upon exercise of a YUM! Stock Appreciation Right, either through a voluntary sale or through a mandatory sale arranged by YUM! (on the Participant's behalf pursuant to this authorization); or (iii) withholding in shares to be issued upon exercise of the YUM! Stock Appreciation Right. To avoid negative accounting treatment, YUM! or the Employer will withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, the Participant will be deemed to have been issued the full number of shares subject to the exercised YUM! Stock Appreciation Rights, notwithstanding that a number of shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan.

Finally, the Participant shall pay to YUM! or the Employer any amount of Tax-Related Items that YUM! or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan or the Participant's acquisition of shares upon exercise of the YUM! Stock Appreciation Rights that cannot be satisfied by the means previously described. YUM! may refuse to honor the exercise and refuse to issue or deliver the shares or the proceeds of the sale of the shares to the Participant if the Participant fails to comply with Participant's obligations in connection with the Tax-Related Items.

7. Nature of Grant. In accepting the YUM! Stock Appreciation Rights, the Participant acknowledges, understands and agrees that:

- (a) the Plan is established voluntarily by YUM! and is discretionary in nature;
- (b) all decisions with respect to future stock appreciation right grants, if any, will be at the sole discretion of YUM!;
- (c) the Participant is voluntarily participating in the Plan;
- (d) the YUM! Stock Appreciation Rights and any shares of Stock (or cash) acquired under the Plan are not part of normal or expected compensation or salary;

- (e) the YUM! Stock Appreciation Rights grant and the Participant's participation in the Plan shall not be interpreted to form an employment contract or relationship with YUM! or the Employer or any Subsidiary or affiliate of YUM!;
- (f) the future value of the underlying shares is unknown and cannot be predicted with certainty;
- (g) if the underlying shares do not increase in value, the YUM! Stock Appreciation Right will have no value;
- (h) in the event of termination of Participant's employment with the Company (whether or not in breach of local labor laws), the Participant's right to receive the YUM! Stock Appreciation Rights and vest in the YUM! Stock Appreciation Rights under the Plan, if any, will terminate effective as of the date that Participant is no longer actively employed with the Company (subject to the terms and conditions of this Agreement) and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of termination of employment with the Company (whether or not in breach of local labor laws), the Participant's right to exercise the YUM! Stock Appreciation Rights after termination of employment, if any, will be measured by the Participant's last day of active employment with the Company (subject to the terms and conditions of this Agreement) and will not be extended by any notice period mandated under local law. The Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed with the Company for purposes of his or her YUM! Stock Appreciation Right grant;
- (i) by accepting the YUM! Stock Appreciation Rights covered by this Agreement, Participant agrees to an amendment to the terms of all prior Global YUM! Stock Appreciation Rights Agreements between the Company and Participant pursuant to which there are currently unvested or unexercised YUM! Stock Appreciation Rights outstanding, to add a new Section 13 to such Agreements which is identical to Section 13, Restrictive Covenants, of this Agreement.
- (j) for Participants who reside outside the U.S., the following additional provisions shall apply:
 - (i) the YUM! Stock Appreciation Rights and any shares (or cash) acquired under the Plan are not intended to replace any pension rights or compensation;
 - (ii) the YUM! Stock Appreciation Rights and the shares (or cash) acquired under the Plan are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to YUM! or to the Employer and are outside the scope of Participant's employment contract, if any; such items shall not be included in or part of any calculation of any

severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for YUM! or the Employer; and

- (iii) no claim or entitlement to compensation or damages shall arise from forfeiture of the YUM! Stock Appreciation Rights resulting from termination of the Participant's employment by YUM! or the Employer (whether or not in breach of local labor laws) and in consideration of the grant of the YUM! Stock Appreciation Rights to which the Participant is otherwise not entitled, the Participant irrevocably agrees never to institute any claim against the Company, waives his or her ability, if any, to bring any such claim and releases the Company from any such claim if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims.

8. No Advice Regarding Grant. YUM! is not providing any tax, legal or financial advice, nor is YUM! making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the underlying shares. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

9. Adjustment for Change in Stock. As set forth in the Plan, in the event of any change in the outstanding shares of Stock by reason of any stock split, stock dividend, recapitalization, merger, consolidation, combination or exchange of shares or similar corporate change, the number of shares which the Participant may purchase pursuant to the YUM! Stock Appreciation Rights and the Exercise Price at which the Participant may purchase such shares shall be adjusted appropriately in the Committee's sole discretion.

10. Nontransferability. These YUM! Stock Appreciation Rights are personal to the Participant and, during his or her lifetime, may be exercised only by the Participant. The YUM! Stock Appreciation Rights shall not be transferable or assignable, other than by will or the laws of descent and distribution, and any such purported transfer or assignment shall be null and void without the express consent of the Committee. In the event of the Participant's death, the YUM! Stock Appreciation Rights may be exercised by the Participant's designated beneficiary (or, if none, his or her legal representative).

11. Change in Control. Notwithstanding anything in this Agreement to the contrary (including Section 4 above), if the Participant is employed on the date of a Change in Control (as defined in the Plan), and the Participant's employment is involuntarily terminated by the Company (other than for cause) on or within two years following the Change in Control, the outstanding YUM! Stock Appreciation Rights shall become fully and immediately exercisable.

If the employment of the Participant is terminated by the Company (other than for cause) on or within two years following a Change in Control, all outstanding YUM! Stock Appreciation Rights shall continue to be exercisable at any time within three years after the date of such termination of employment, but in no event after the end of the YUM! Stock Appreciation Right Term.

12. Notices. Any notice to be given to YUM! under the terms of this Agreement shall be addressed to YUM! at 1441 Gardiner Lane, Louisville, Kentucky 40213, U.S.A., Attention: Vice President, Compensation and Benefits, or such other address (including any email address) as YUM! may hereafter designate to the Participant. Any such notice shall be deemed to have been given when personally delivered, addressed as aforesaid, or when enclosed in a properly sealed envelope or wrapper, addressed as aforesaid, and deposited, postage prepaid, with the federal or other official postal service for the Participant's country.

13. Restrictive Covenants. By accepting the YUM! Stock Appreciation Rights, and in consideration of these rights and receipt of confidential information from the Company during his or her employment, Participant specifically agrees to the restrictive covenants contained in this Section 13 (the "Restrictive Covenants") and agrees that the Restrictive Covenants and the remedies described herein are reasonable and necessary to protect the legitimate interests of the Company. Sections 13(b) and 13(c) apply to Participants who are Level 15 employees (or the equivalent of Level 15 employee) of the Company or above.

(a) Confidentiality. In consideration for receiving the YUM! Stock Appreciation Rights, Participant acknowledges that the Company is engaged in a competitive business environment and has a substantial interest in protecting its confidential information. Participant agrees that he or she has received and continues to receive, by virtue of his or her position with the Company, access to confidential information (including trade secrets) related to the Company and its business, and Participant agrees, during his or her employment with the Company and thereafter, and in consideration of receiving such information to maintain the confidentiality of the Company's confidential information and to use such confidential information for the exclusive benefit of the Company, except where disclosure is required to be made to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law or in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, nothing in this Agreement prevents Participant from disclosing information about a dispute involving alleged sexual harassment or sexual assault as protected by the federal Speak Out Act or other state or local laws nor from exercising rights under Section 7 of the NLRA to the extent applicable to Participant.

(b) Competitive Activity. During Participant's employment with the Company and for one year following the termination of Participant's employment for any reason whatsoever, Participant agrees and covenants that: Participant shall not either directly or indirectly, alone or in conjunction with any other party or entity, perform services, work or consulting for one or more Competitor Companies anywhere in the world. A "Competitor Company" shall be defined as: (i) any company or other entity engaged as a "quick service restaurant" ("QSR") and (ii) any

company or other entity that is a delivery-oriented restaurant; and (iii) any entity under common control with an entity included in (i) or (ii), above. Competitor Companies covered under this definition include, but are not limited to: McDonald's, Domino's Pizza, Starbucks, Wendy's, Papa John's, Restaurant Brands International (including Burger King, Tim Horton's and Popeye's Chicken), Culver's, In-N-Out Burger, Sonic, Hardee's, Arby's, Jack-in-the-Box, Chick-fil-A, Chipotle, Q-doba, Panera Bread, Subway, Dunkin' Brands, Five Guys, Bojangles, Church's, Del Taco, Little Caesars, Subway, Dico's, Jollibee, Blaze, MOD Pizza, JAB Holding Company, Darden Restaurants, Inspire Brands and Focus Brands, and their respective organizations, partnerships, ventures, sister companies, franchisees, affiliates, franchisee organizations, cooperatives or any organization in which they have an interest and which are involved in the QSR restaurant industry anywhere in the world, or which otherwise compete with Yum Brands, Inc.

In the event that any portion of this Section 13(b) shall be determined by a court or arbitrator to be unenforceable because it is unreasonably restrictive in any respect, it shall be interpreted to extend over the maximum period of time for which it reasonably may be enforced and to the maximum extent for which it reasonably may be enforced in all other respects, and enforced as so interpreted, all as determined by such court or arbitrator in such action. Participant acknowledges the uncertainty of the law in this respect and expressly stipulates that this Agreement is to be given the construction that renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law.

Notwithstanding the forgoing, the provisions of this Section 13(b) are not applicable to a Participant who is a resident of California and provides the majority of his or her services to the Company within California.

(c) Non-Solicitation. During Participant's employment and for eighteen months following the later of (i) termination of Participant's employment for any reason whatsoever or (ii) the last scheduled award vesting date, Participant shall not:

- (i) induce or attempt to induce any employee of the Company to leave the employ of Company;
- (ii) induce or attempt to induce any employee of the Company to work for, render services to, or provide advice to any third party;
- (iii) induce or attempt to induce any current or former employee of the Company to supply confidential information of Company to any third party, except where disclosure of a suspected violation of law is made to a federal, state, or local government official or to an attorney for the purpose of reporting or investigating a suspected violation of law or in a complaint or other document filed in a lawsuit or other proceeding, if such complaint or other document is filed under seal;

- (iv) employ, or otherwise pay for services rendered by, any employee of the Company in any business enterprise with which Participant may be associated, connected or affiliated;
- (v) induce or attempt to induce any customer, franchisee, supplier, licensee, licensor or other business relation of Company to cease doing business with Company, or in any way interfere with the then existing business relationship between any such customer, franchisee, supplier, licensee, licensor or other business relation and Company; or
- (vi) assist, solicit, or encourage any other third party, directly or indirectly, in carrying out any activity set forth above that would be prohibited by any of the provisions of this Agreement if such activity were carried out by Participant. In particular, Participant will not, directly or indirectly, induce any employee of Company to carry out any such activity.

Notwithstanding the forgoing, the provisions of this Section 13(c) are not applicable to a Participant who is a resident of California and provides the majority of his or her services to the Company within California.

The Company and Participant agree that the provisions of this Section 13 contain restrictions that are not greater than necessary to protect the interests of the Company.

(d) Partial Invalidity. If any portion of this Section 13 is determined by a court or arbitrator to be unenforceable in any respect, it shall be interpreted to be valid to the maximum extent for which it reasonably may be enforced, and enforced as so interpreted, all as determined by such arbitrator in such action. Participant acknowledges the uncertainty of the law in this respect and expressly stipulates that this Agreement is to be given the construction that renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law.

(e) Clawback & Recovery. Participant agrees that a breach of any of the Restrictive Covenants set forth in this Section 13 would cause material and irreparable harm to the Company. Accordingly, Participant agrees that if the Committee, in its sole discretion, determines that Participant has violated any of the Restrictive Covenants contained in this Section 13, either during employment with the Company or after such employment terminates for any reason, the following rules shall apply:

- (i) The Committee may (A) terminate such Participant's participation in the Plan and/or (B) send a "Recapture Notice" that will (1) cancel all or a portion of this or any outstanding YUM! Stock Appreciation Rights, (2) require the return of any shares of Stock received upon exercise of this or any prior YUM! Stock Appreciation Rights and/or (3) require the reimbursement to the Company of any net proceeds received from the sale of any shares of Stock acquired as a result of such exercise or exercises.

- (ii) Under this Section 13, the obligation to return shares of Stock received and/or to reimburse the Company for any net proceeds received, pursuant to a Recapture Notice, shall be limited to shares and/or proceeds received by Participant within the period that is one year prior to and one year following the Participant's termination of employment.
- (iii) The Committee has sole and absolute discretion to take action or not to take action pursuant to this Section 13 upon determination of a breach of a Restrictive Covenant, and its decision not to take action in any particular instance shall not in any way limit its authority to send a Recapture Notice in any other instance.
- (iv) Any action taken by the Committee pursuant to this Section 13(e) is without prejudice to any other action the Committee may choose to take upon determination that the Participant has violated a Restrictive Covenant contained herein.
- (v) This Section 13(e) will cease to apply upon a Change in Control.

(f) Right of Set Off. By accepting the YUM! Stock Appreciation Rights, Participant agrees that the Company may set off any amount owed to Participant (including wages or other compensation, fringe benefits or vacation pay) against any amounts Participant owes under this Section 13.

14. Binding Effect.

(a) This Agreement shall be binding upon and inure to the benefit of any assignee or successor in interest to YUM!, whether by merger, consolidation or the sale of all or substantially all of YUM!'s assets. YUM! will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of YUM! to expressly assume and agree to perform this Agreement in the same manner and to the same extent that YUM! would be required to perform if no such succession had taken place.

(b) This Agreement shall be binding upon and inure to the benefit of the Participant or his or her legal representative and any person to whom a YUM! Stock Appreciation Right may be transferred by will, the applicable laws of descent and distribution or consent of the Committee.

15. Receipt of Prospectus. The Participant hereby acknowledges that he or she has received a copy of YUM!'s Prospectus relating to the YUM! Stock Appreciation Rights, the Covered Shares and the Plan, and that he or she fully understands his or her rights under the Plan.

16. Data Protection. This Section 16 applies if the Participant resides outside the U.S. By entering into this Agreement, the Participant:

(a) hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other grant materials, by and among, as applicable, the Employer, YUM! and any Subsidiary or affiliate of YUM!, for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan;

(b) acknowledges that YUM! and the Employer may hold certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, details of all YUM! Stock Appreciation Rights or any other entitlement to Stock outstanding in the Participant's favor, for the purpose of implementing, administering and managing the Plan ("Data");

(c) acknowledges and agrees that Data may be transferred to Merrill Lynch or such other service provider as may be selected by YUM!, which is assisting with the implementation, administration and management of the Plan (presently or in the future), that these recipients may be located in the Participant's country of residence or elsewhere (e.g., the United States), and that the recipient's country may have different data privacy laws and protections to those of the Participant's country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of Data by contacting his or her local human resources representative; and

(d) authorizes the Employer, YUM!, Merrill Lynch and any other possible recipients which may assist YUM! (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any shares acquired under the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan. The Participant understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. The Participant understands, however, that refusing or withdrawing his or her consent may affect his ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.

17. Plan Controls. The YUM! Stock Appreciation Rights and the terms and conditions set forth herein are subject in all respects to the terms and conditions of the Plan and any Operating Guidelines or other policies or regulations which govern administration of the Plan, which shall be controlling. YUM! reserves its right to amend or terminate the Plan at any time without the consent of the Participant; provided, however, that YUM! Stock Appreciation Rights outstanding under the Plan at the time of such amendment or termination shall not be

adversely affected thereby, as set forth in Section 7 of the Plan. All interpretations or determinations of the Committee shall be final, binding and conclusive upon the Participant and his or her legal representatives on any question arising hereunder or under the Plan, the Operating Guidelines or other policies or regulations which govern administration of the Plan.

18. Rights to Future Grants; Compliance with Law By entering into this Agreement, the Participant acknowledges and agrees that the Award and acceptance of the YUM! Stock Appreciation Rights pursuant to this Agreement is voluntary and occasional and does not entitle the Participant to future grants of stock appreciation rights or other awards in the future under the Plan or any other plan even if stock appreciation rights have been granted repeatedly in the past. The Participant further agrees to seek all necessary approval under, make all required notifications under and comply with all laws, rules and regulations applicable to the ownership of YUM! Stock Appreciation Rights and Stock and the exercise of YUM! Stock Appreciation Rights, including, without limitation, currency and exchange laws, rules and regulations. The Participant shall have no rights as a shareholder of YUM! until a YUM! Stock Appreciation Right is exercised and shares subject thereto have been issued to the Participant.

19. Governing Law & Venue. The Participant's participation in the Plan and this Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, without giving effect to the principles of conflicts of laws thereof.

For purposes of litigating any dispute that arises in connection with this grant, the Participant's participation in the Plan or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Kentucky and agree that such litigation shall be conducted in the courts of Jefferson County, Kentucky, or the federal courts for the United States for the Western District of Kentucky, where this grant is made and/or to be performed.

20. Language. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

21. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and to agree to participate in the Plan through an on-line or electronic system established and maintained by YUM! or a third party designated by YUM!.

22. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

23. Imposition of Other Requirements. The Committee reserves the right to impose other requirements on the Participant's participation in the Plan and on any Stock acquired under the Plan, to the extent the Committee determines it is necessary or advisable in order to comply with local laws or to facilitate the administration of the Plan, and to require the Participant to

accept the terms of any additional agreements or undertakings that may be necessary to accomplish the foregoing.

24. Appendix. Notwithstanding any provisions herein, the Participant's participation in the Plan shall be subject to any special terms and conditions set forth in the Appendix for his or her country (attached hereto). Moreover, if the Participant relocates to one of the countries included in the Appendix, the special terms and conditions for such country will apply to the Participant, to the extent Committee determines in its sole discretion that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan.

25. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) "Closing Value" of a share of Stock on any date shall mean an amount equal to the closing sales price of a share of Stock as reported on the composite tape for securities listed on The New York Stock Exchange, on the date in question (or, if no sales of Stock were made on said Exchange on such date, on the next preceding day on which sales were made on such Exchange), rounded to two decimal places.

(b) "Retirement" shall have the meaning used in the YUM! Retirement Plan, as then in effect, whether it occurs on the Participant's Normal Retirement Date or Early Retirement Date, or in the event the Retirement Plan does not apply to the Participant, "Retirement" shall mean termination of employment by the Participant on or after the Participant's attainment of age 55 and 10 years of service or age 65 and 5 years of service (and not for any other reason). Notwithstanding the definition of Retirement set forth immediately above, if YUM! receives an opinion of counsel that there has been a legal judgment and/or legal development in the Participant's jurisdiction that would likely result in the favorable retirement treatment that applies to this grant under the Plan being deemed unlawful and/or discriminatory, then the Committee will not apply the favorable retirement treatment at the time of the Participant's termination of employment and the YUM! Stock Appreciation Rights shall automatically expire upon, and no YUM! Stock Appreciation Right may be exercised after, the termination of the Participant's employment with the Company.

(c) "Special Termination" means, (i) with respect to a Participant who has been approved as a franchisee by YUM! or any of its affiliates, the Participant's termination of employment with the Company (other than a termination by the Company for cause) to become, immediately following such termination, a franchisee of YUM! or one of its affiliates, and (ii) with respect to any Participant, the Participant's termination of employment with the Company (other than a termination by the Company for cause) to become, immediately following such termination, an employee of a franchisee of YUM! or one of its Subsidiaries as approved by an officer of YUM!. Participants who do not meet the foregoing requirements may not have a Special Termination.

APPENDIX
ADDITIONAL TERMS AND CONDITIONS OF THE
YUM! BRANDS, INC.
GLOBAL YUM! STOCK APPRECIATION RIGHTS AGREEMENT

Terms and Conditions

This Appendix includes additional terms and conditions that govern the YUM! Stock Appreciation Right (the “SAR”) granted to the Participant under the Plan if the Participant resides in one of the non-U.S. countries listed below. Certain capitalized terms used but not defined in this Appendix have the meanings set forth in the Plan and/or the Agreement.

Notifications

This Appendix also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of **February 2015**. Such laws are often complex and change frequently. As a result, YUM! strongly recommends that the Participant not rely on the information in this Appendix as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Participant exercises the SAR or sells shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation and YUM! is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to his or her situation.

Finally, the Participant understands that if the Participant is a citizen or resident of a country other than the one in which the Participant is currently working, transfers employment after the Grant Date, or is considered a resident of another country for local law purposes, the information contained herein may not apply to the Participant, and YUM! shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply.

AUSTRALIA

Terms and Conditions

Australian Offer Document. The Participant understands that the offering of the Plan in Australia is intended to qualify for exemption from the prospectus requirements under Class Order 14/1000 issued by the Australian Securities and Investments Commission. Participation in the Plan is subject to the terms and conditions set forth in the Australian Offer Document, the Plan and this Agreement provided to Participant.

Notification

Securities Law Information. If the Participant acquires shares under the Plan and offers such shares for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. The Participant should obtain legal advice on his or her disclosure obligations prior to making any such offer.

BRAZIL

Terms and Conditions

Acknowledgment of Nature of Plan and SARs This provision supplements Section 7 of the Agreement.

By accepting the SAR, the Participant acknowledges that (i) he or she is making an investment decision; (ii) the shares will be issued only if the vesting conditions set forth in this Agreement are satisfied and the Participant exercises the SARs prior to their expiration; and (iii) the value of the underlying shares is not fixed and may increase or decrease in value between the Grant Date and exercise of the SARs without compensation to Participant.

Notifications

Exchange Control Information. Participants who are resident or domiciled in Brazil will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$100,000. Assets and rights that must be reported include shares acquired under the Plan.

CANADA

Terms and Conditions

Termination of Employment This provision supplements Section 7(h) of the Agreement.

In the event of the Participant's involuntary termination of employment (whether or not in breach of local labor laws), the Participant's right to receive and vest in the SAR under the Plan, if any, will terminate effective as of (1) the date the Participant is no longer actively providing service to YUM! or the Employer, or at the discretion of the Committee, (2) the date the Participant receives notice of termination of service from YUM! or the Employer if earlier than (1), regardless of any notice period or period of pay in lieu of such notice required under local law (including, but not limited to, statutory law, regulatory law and/or common law). The Participant's right, if any, to acquire shares pursuant to a SAR after termination of employment will be measured by the date of termination of his or her active employment and will not be extended by any notice period mandated under local law. The Committee shall have the exclusive discretion to determine when the Participant is no longer actively providing service for purposes of the SAR.

Data Privacy. The following provision will apply if the Participant is a resident of Quebec and supplements Section 16 of the Agreement:

The Participant hereby authorizes YUM! and YUM!'s representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes YUM! and any Subsidiary or affiliate and the Plan administrator to disclose and discuss the Plan with their advisors. The Participant further authorizes the Employer to record such information and to keep such information in the Participant's employee file.

French Language Provision. The following provision will apply if the Participant is a resident of Quebec:

The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à la présente convention.

Notification

Securities Law Notice. The Participant is permitted to sell shares acquired through the Plan through the designated broker appointed under the Plan, if any, provided the resale of shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the shares are listed. YUM!'s shares are currently listed on the New York Stock Exchange.

Foreign Asset/Account Reporting Information. Foreign property, including shares, SARs, and other rights to receive shares of a non-Canadian company held by a Canadian resident employee must generally be reported annually on a Form T1135 (Foreign Income Verification Statement) if the total cost of the employee's foreign property exceeds \$100,000 at any time during the year. Thus, if the Participant is a Canadian resident employee, the SARs must be reported – generally at a nil cost - if the \$100,000 cost threshold is exceeded because other foreign property is held by the Participant.

CHINA

Terms and Conditions

Exercise. The following supplements Section 3 of the Agreement:

All shares subject to the exercised SAR will be immediately sold on the Participant's behalf pursuant to this authorization and the proceeds of sale, less Tax-Related Items and any broker's fees or commissions, will be paid to the Participant, by the Employer, through local payroll.

FRANCE

Terms and Conditions

Consent to Receive Information in English. By accepting the SAR, the Participant confirms having read and understood the Plan and Agreement, including all terms and conditions included therein, which were provided in the English language. The Participant accepts the terms of those documents accordingly.

En acceptant cette SAR, le Participant confirme avoir lu et compris le Plan et le Contrat y relatifs, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Participant accepte les dispositions de ces documents en connaissance de cause.

Notifications

Foreign Asset/Account Reporting Information. Participant must declare all foreign bank and brokerage accounts (including any accounts that were opened or closed during the tax year) in his or her annual income tax return.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 (e.g., to transfer proceeds from the sale of shares acquired under the Plan into France) must be reported to the German Federal Bank (*Bundesbank*). The report must be filed electronically by the 5th day of the month following the month in which the payment was received. The form of the report (Allgemeine Meldeportal Statistik) can be obtained via the Bundesbank's website (www.bundesbank.de) in English and German. The Participant will be responsible for satisfying this reporting obligation.

INDIA

Notifications

Exchange Control Information. The Participant understands that he or she must repatriate any proceeds from the sale of shares acquired under the Plan to India within 90 days of receipt. The Participant must also repatriate any dividends received in relation to the shares to India within 180 days of receipt. The Participant will receive a foreign inward remittance certificate ("FIRC") from the bank where the Participant deposits the foreign currency. The Participant should maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. It is the Participant's responsibility to comply with applicable exchange control laws in India.

Foreign Asset/Account Reporting Information. The Participant understands that he or she is required to declare foreign bank accounts and any foreign financial assets (including shares held

outside India) in his or her annual tax return. The Participant is advised to consult with his or her personal tax advisor to ensure compliance with this requirement.

ITALY

Terms and Conditions

Data Privacy. This provision replaces Section 16 of the Agreement:

The Participant understands that the Employer and YUM! and any Subsidiary may hold certain personal information about him or her, including, but not limited to, the Participant's name, home address, telephone number, date of birth, social insurance or other identification number, salary, nationality, job title, any Stock or directorships held in YUM!, details of all SARs and other awards or entitlements to shares awarded, canceled, exercised, vested, unvested, settled or outstanding in the Participant's favor ("Data"), for the purpose of implementing, managing and administering the Plan.

The Participant also understands that providing YUM! with Data is necessary for the performance of the Plan and that his or her refusal to provide such Data would make it impossible for YUM! to perform its contractual obligations and may affect Participant's ability to participate in the Plan. The controller of personal data processing is YUM! with registered offices at 1441 Gardiner Lane, Louisville, Kentucky 40213, United States and, pursuant to Legislative Decree no. 196/2003, its representative in Italy for privacy purposes is KFC Italy S.r.l., with registered offices at c/o Cocuzza & Associati, Via San Giovanni Sul Muro 18, Milan.

The Participant understands that Data will not be publicized or used for direct marketing purposes. The Participant further understand that the Employer and YUM! and any Subsidiary will transfer Data among themselves as necessary for the purposes of implementing, administering and managing the Participant's participation in the Plan, and that the Employer and YUM! and any Subsidiary may each further transfer Data to Merrill Lynch or such other stock plan service provider as may be selected by YUM!, which is assisting YUM! with the implementation, administration and management of the Plan. Data may also be transferred to certain other third parties assisting YUM! with the implementation, administration and management of the Plan, including any transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any shares acquired under the Plan subject to the terms of the Agreement. Such recipients may receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing the Participant's participation in the Plan. The Participant understands that these recipients may be located inside or outside of the European Economic Area, such as in the United States or elsewhere. Should YUM! exercise its discretion in suspending all necessary legal obligations connected with the administration and

management of the Plan, it will delete Data as soon as it has completed all of the necessary legal obligations connected with such administration and management of the Plan.

The Participant understands that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions, as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

The use, processing and transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require the Participant's consent thereto, as such use, processing and transfer is necessary to performance of contractual obligations related to implementation, administration, and management of the Plan, as discussed above. The Participant understands that, pursuant to Section 7 of the Legislative Decree no. 196/2003, the Participant has the right, including but not limited to, access, delete, update, correct, or terminate, for legitimate reason, the use, processing and transfer of Data. For more information on the collection, use, processing and transfer set forth in this document, the Participant understands that he or she may contact the human resources representative designated by the Employer and/or YUM!.

Grant Document Acknowledgment. In accepting the SAR, the Participant acknowledges that he or she has received a copy of the prospectus (also referred to as the Memorandum) and the Agreement and has reviewed the documents in their entirety and fully understands and accepts all provisions contained therein.

The Participant further acknowledges that he or she has read and specifically and expressly approves the following provisions of the Agreement: Section 2 Exercisability; Section 4 Effect of Termination of Employment, Death and Retirement; Section 6 Responsibility for Taxes; Section 7 Nature of Grant; Section 19 Governing Law & Venue; Section 24 Appendix and the Data Privacy section of this Appendix (above).

Notifications

Foreign Asset/Account Reporting Information. If the Participant holds investments abroad or foreign financial assets (e.g., shares acquired under the Plan or cash from the sale of such shares, etc.) that may generate income taxable in Italy, the Participant is required to report them on his or her annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value.

Foreign Asset Tax Information. The value of the financial assets (e.g., shares acquired under the Plan or cash from the sale of such shares, etc.) held outside of Italy by Italian residents is subject to a foreign asset tax levied at an annual rate of 0.2%. The taxable amount will be the fair market value of the financial assets assessed at the end of the calendar year.

JAPAN

Notifications

Foreign Asset/Account Reporting Information. The Participant is required to report details of assets held outside of Japan as of December 31st, including shares acquired under the Plan, to the extent such assets have a total net fair market value exceeding €50,000. The report will be due by March 15th each year. The Participant is advised to consult with his or her personal tax advisor to ensure compliance with this requirement.

KOREA

Notifications

Exchange Control Information. Exchange controls require Korean residents who receive US\$500,000 or more from the sale of shares or the receipt of dividends to repatriate the proceeds to Korea within 18 months of the sale/receipt.

Foreign Asset/Account Reporting Information. Korean residents must declare all foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds KRW 1 billion (or an equivalent amount in foreign currency). The Participant is advised to consult with his or her personal tax advisor to ensure compliance with this requirement.

RUSSIA

Terms and Conditions

U.S. Securities Transaction. The Participant understands that this award of SARs shall be valid and the Agreement shall be concluded and become effective only when the Agreement is received electronically or otherwise by YUM! in the United States.

Notifications

Securities Law Information. This Appendix, the Agreement, the Plan and all other materials that the Participant may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. The issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia. In no event will shares acquired under the Plan be delivered to the Participant in Russia; instead, all shares acquired upon exercise of the SAR will be maintained on the Participant's behalf in the United States. The Participant is not permitted to sell shares acquired under the Plan directly to a Russian legal entity or resident.

Exchange Control Notification. Under current exchange control regulations, within a reasonably short time after sale of shares acquired under the Plan, the Participant must repatriate the sale proceeds to Russia. Such sale proceeds must be credited initially to the Participant

through a foreign currency account at an authorized bank in Russia. After the sale proceeds are initially received in Russia, the funds may be further remitted to foreign banks in accordance with Russian exchange control laws.

The Participant should consult his or her personal advisor before remitting any sale proceeds to Russia, as exchange control requirements may change.

SINGAPORE

Notifications

Securities Law Notification. The SAR was granted to the Participant pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). Neither the Agreement nor the Plan have been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that his or her SAR is subject to section 257 of the SFA and the Participant will not be able to make any subsequent sale of the shares in Singapore, or any offer of such subsequent sale of the shares underlying the SAR unless such sale or offer in Singapore is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.).

Director Notification. If the Participant is a director, associate director or shadow director of a Subsidiary or other related company in Singapore, then the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Subsidiary in writing when the Participant receives an interest (e.g., SARs, shares) in YUM! or any related company. In addition, the Participant must notify the Singapore Subsidiary or other related company when he or she sells shares of YUM! or any related company (including when the Participant sells shares acquired under the Plan). These notifications must be made within two (2) business days of acquiring or disposing of any interest in YUM! or any related company. In addition, a notification must be made of the Participant's interests in YUM! or any related company within two (2) business days of becoming a director.

SOUTH AFRICA

Terms and Conditions

Responsibility for Taxes. The following provision supplements Section 6 of the Agreement:

By accepting the SAR, the Participant agrees that, immediately upon exercise of the SAR, he or she will notify the Employer of the amount of any gain realized. If the Participant fails to advise the Employer of the gain realized upon exercise, the Participant may be liable for a fine. The Participant will be solely responsible for paying any difference between the actual tax liability and the amount withheld by the Employer.

SPAIN

Terms and Conditions

Nature of Grant. The following provision supplements Section 7 of the Agreement:

In accepting the SAR, the Participant consents to participate in the Plan and acknowledges that she or he has received a copy of the prospectus (also referred to as the Memorandum) and that the Plan will be provided upon request.

The Participant understands that YUM! has unilaterally, gratuitously and discretionally decided to grant SARs under the Plan to select individuals who meet the eligibility requirements set forth in the Plan. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind YUM! or any Subsidiary, other than to the extent set forth in the Agreement. Consequently, the Participant understands that the SAR is granted on the assumption and condition that the SAR and any shares acquired upon exercise of the SAR are not part of any employment contract (either with YUM! or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from any gratuitous and discretionary grant of the SAR since the future value of the underlying shares is unknown and unpredictable. In addition, the Participant understands that the SAR would not be granted to him or her but for the assumptions and conditions referred to herein; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this SAR shall be null and void.

Further, this SAR is a conditional right to shares and can be forfeited in the case of, or affected by, the Participant's termination of employment. This may be the case, for example, even if (1) Participant is considered to be unfairly dismissed without good cause; (2) Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) Participant terminates service due to a change of work location, duties or any other employment or contractual condition; (4) Participant terminates service due to a unilateral breach of contract by YUM! or a Subsidiary; or (5) Participant's employment terminates for any other reason whatsoever. . Consequently, upon termination of the Participant's employment for any of the reasons set forth above, the Participant *may* automatically lose any rights to the unvested SARs granted to the Participant as of the date of his or her termination of employment and/or may have a shortened period of time within which to exercised vested SARs, unless otherwise provided in Section 4 of the Agreement.

Notifications

Exchange Control Notification. The Participant must declare the acquisition of shares to the Dirección General de Comercio e Inversiones (the "DGCI"), which is a department of the Ministry of Industry, Tourism and Commerce, for statistical purposes. The Participant must also declare ownership of any shares by filing a Form D-6 with the Directorate of Foreign Transactions each January while the shares are owned. In addition, the sale of shares must also be declared on Form D-6 filed with the DGCI in January, unless the sale proceeds exceed the applicable threshold, in which case, the filing is due within one month after the sale.

Foreign Asset/Account Reporting Information. The Participant is required to declare electronically to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the shares held in such accounts if the value of the transactions during the

prior tax year or the balances in such accounts as of December 31 of the prior tax year exceed €1,000,000.

Further, effective January 1, 2013, to the extent that the Participant holds shares and/or has bank accounts outside Spain with a value in excess of €50,000 (for each type of asset) as of December 31 each year, the Participant will be required to report information on such assets in his or her tax return (tax form 720) for such year. After such shares and/or accounts are initially reported, the reporting obligation will apply for subsequent years only if the value of any previously-reported shares or accounts increases by more than €20,000. If the value of such shares and/or accounts as of December 31 does not exceed €50,000, a summarized form of declaration may be presented.

Securities Law Notification. The grant of SARs and the shares issued pursuant to the exercise of the SAR are considered a private placement outside of the scope of Spanish laws on public offerings and issuances of securities.

SWITZERLAND

Notifications

Securities Law Notification. The SAR offered is considered a private offering in Switzerland; therefore, it is not subject to registration in Switzerland.

THAILAND

Notifications

Exchange Control Information. The Participant must immediately repatriate the proceeds from the sale of shares and any dividends to Thailand immediately upon receipt if the amount of received in a single transaction is US\$50,000 or more. The Participant must then either convert the funds to Thai Baht or deposit the amount in a foreign currency deposit account maintained by a bank in Thailand within 360 days of repatriating the amount to Thailand. If the repatriated amount is US\$50,000 or more, the Participant must report the inward remittance by submitting the Foreign Exchange Transaction Form to the authorized agent or the Bank of Thailand. The Participant is solely responsible for complying with applicable exchange control rules in Thailand and is advised to consult with his or her personal advisor to ensure such compliance.

TURKEY

Notifications

Securities Law Information. The Participant is not permitted to sell shares acquired under the Plan in Turkey. The Participant must sell such shares outside of Turkey. The Stock is currently traded on the New York Stock Exchange under the ticker symbol "YUM" and shares may be sold on this exchange, which is located outside of Turkey.

Exchange Control Information. Pursuant to Decree No. 32 on the Protection of the Value of the Turkish Currency (“Decree 32”) and Communiqué No. 2008-32/34 on Decree 32, any activity related to investments in foreign securities (e.g., the sale of shares acquired under the Plan and the receipt of dividends) must be conducted through a bank or financial intermediary institution licensed by the Turkish Capital Markets Board and should be reported to the Turkish Capital Markets Board. The Participant is solely responsible for complying with Turkish exchange control requirements and is advised to contact a personal legal advisor for further information regarding these requirements.

UNITED ARAB EMIRATES (DUBAI)

Notifications

Securities Law Notification. The offer of SARs under the Plan is made only to individuals who satisfy the definition of Eligible Individuals in the Plan, and constitutes an “exempt personal offer” of equity incentives to employees in the United Arab Emirates. This Agreement, the Plan and any other documents related to the SARs are intended for distribution only to Eligible Individuals and must not be delivered to, or relied on, by any other person.

The Emirates Securities and Commodities Authority and/or the Central Bank have no responsibility for reviewing or verifying any documents in connection with this statement. The Ministry of Economy, the Dubai Department of Economic Development, the Emirates Securities and Commodities Authority, Central Bank and the Dubai Financial Securities Authority have not approved this statement, the Plan, this Agreement or any other documents related to the SARs or taken steps to verify the information set out therein and have no responsibility for such documents.

If the Participant does not understand the contents of this Agreement or the Plan, the Participant should consult his or her personal financial advisor.

UNITED KINGDOM

Terms and Conditions

Responsibility for Taxes. The following supplements Section 6 of the Agreement:

The Participant agrees that if payment or withholding of the income tax due with respect to the exercise of the SAR is not made within ninety (90) days after the end of the tax year in which the event giving rise to the liability occurs or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the “Due Date”), the amount of any uncollected income tax liability shall constitute a loan owed by the Participant to the Employer, effective as of the Due Date. The Participant agrees that the loan will bear interest at the then-current official rate of Her Majesty’s Revenue & Customs (“HMRC”), it will be immediately due and repayable, and YUM! or the Employer may recover it at any time thereafter by any of the means referred to in Section 6 of the Agreement.

Notwithstanding the foregoing, if the Participant is a director or executive officer of YUM! (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the Participant shall not be eligible for a loan from YUM! to cover the unpaid income tax. In the event that the Participant is a director or executive officer and income tax is not collected from or paid by the Participant by the Due Date, the amount of any uncollected income tax liability will constitute a benefit to the Participant on which additional income tax and National Insurance contributions ("NICs") will be payable. The Participant will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Employer for the value of any NICs due on this additional benefit. The Participant acknowledges that YUM! or the Employer may recover the NICs by any of the means referred to in Section 6 of the Agreement.

VIETNAM

No country-specific provisions, provided the Participant is not a Vietnamese national. ***If the Participant is a Vietnamese national, different terms and conditions apply.***

* * *

By electronically accepting the grant of the Stock Appreciation Rights and participating in the Plan, the Participant agrees to be bound by the terms and conditions in the Plan and this Agreement.

YUM! BRANDS, INC.

By: /s/Tracy Skeans
Tracy Skeans
YUM! Brands, Inc., Chief Operating Officer and Chief People Officer

**YUM! BRANDS, INC. LONG TERM INCENTIVE PLAN
FORM OF GLOBAL PERFORMANCE SHARE UNIT AGREEMENT**

Grant Date:	[INSERT]
Grantee/Participant:	Name
Number of Target	
Performance Share Units:	XXX
Performance Period:	[INSERT]
Performance Target:	[INSERT]

This **GLOBAL PERFORMANCE SHARE UNIT AGREEMENT** ("Agreement") is made as of the _____th of _____, 20__ between **YUM! BRANDS, INC.**, a North Carolina corporation ("YUM!"), and [NAME] ("Participant").

1. **Award.**

(a) **Performance Share Units.** Pursuant to the YUM! Brands, Inc. Long Term Incentive Plan (the "Plan"), Participant is hereby awarded a Full Value Award in the form of performance share units with respect to the number of shares of Stock as set forth herein (the "Performance Share Units"), subject to the conditions of the Plan and this Agreement. The number of Performance Share Units to which Participant may become entitled under this Award at the target level of performance (the "Target Performance Share Units") is set forth above.

(b) **Plan Incorporated.** Participant acknowledges receipt of a copy of the Summary Plan Description, and agrees that this award of Performance Share Units shall be subject to all of the terms and conditions set forth in the Plan and the Summary Plan Description, including future amendments thereto, if any, which Plan and Summary Plan Description are incorporated herein by reference as a part of this Agreement. Participant may make a written request for a copy of the Plan at any time. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

(c) **Certain Defined Terms.** Without limiting the generality of the provisions of subsection 1(b), for purposes of this Agreement the following capitalized terms shall have the following meaning specified:

(i) "Code Section 409A" means Section 409A of the Code and all regulations, guidance and other interpretive authority issued thereunder.

(ii) "Company" means, collectively, YUM!, its divisions and its Subsidiaries.

(iii) "Projected Level of Performance" means, for a Performance Period, the level of performance, determined in the discretion of the Committee, that would have

been achieved if the level of performance for the Performance Period through Participant's Termination Date had continued for the remainder of the applicable Performance Period.

(iv) "Retirement" shall mean termination of employment by Participant on or after Participant's attainment of age 55 and 10 years of service or age 65 and 5 years of service (and not for any other reason).

(v) "Termination Date" means the date on which Participant ceases to be an employee of the Company and ceases to perform material services for the Company, regardless of the reason for the cessation; provided, however, that a Participant's "Termination Date" shall not be considered to have occurred during the period in which the reason for the cessation of services is a leave of absence approved by the Company which was the recipient of Participant's services. Notwithstanding the foregoing and for the avoidance of doubt, in the event of a Change in Control, if Participant becomes employed by the successor to YUM! or an affiliate of such successor, Participant's Termination Date shall not occur until Participant both ceases to be an employee and ceases to perform material services for the successor and its affiliates on or after the Change in Control. In the case of any amounts subject to Code Section 409A, Participant's Termination Date shall be the date on which Participant has a "separation from service" with the Company within the meaning of Code Section 409A.

(vi) "Vested Units" means the number of Performance Share Units to which Participant is entitled hereunder as determined by the Committee based on satisfaction of the Performance Target and satisfaction of the applicable service requirements or as otherwise determined in accordance with this Agreement.

2. **Terms of Performance Share Units** Participant hereby accepts the Performance Share Units and agrees with respect thereto as follow:

(a) **Assignment of Performance Share Units Prohibited** The Performance Share Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of, except by will or the applicable laws of inheritance.

(b) **Vesting Generally**. Except as otherwise specifically provided herein and subject to the terms and conditions of this Agreement and the Plan:

(i) Participant shall have no right to any Performance Share Units subject to this Award (and shall not be vested in such Performance Share Units) until the Committee determines whether and to what extent the performance conditions have been satisfied (as set forth in this Agreement, including paragraph 2(b)(ii) and Exhibit A hereof) and then only if Participant's Termination Date has not occurred as of the last day of the Performance Period.

(ii) The number of Performance Share Units to which Participant will be entitled under this Agreement (and that shall become Vested Units hereunder) shall be

based on level of performance of the Performance Target as determined in accordance with Exhibit A hereto. As soon as practicable following the end of the Performance Period, the Committee shall determine whether and the extent to which the Performance Target has been satisfied and the number of the Target Performance Share Units to which Participant will be entitled under this Award in accordance with the provisions of Exhibit A hereto.

(c) **Termination of Service.** In the event that Participant's Termination Date occurs prior to the last day of the Performance Period for death or Retirement, then the number of Performance Share Units to which Participant will be entitled under this Agreement (and that shall become Vested Units) will be that number of Performance Share Units that would have become Vested Units had the Termination Date not occurred (and based on actual performance for the Performance Period), pro-rated on a monthly basis for the portion of the Performance Period ending on the Termination Date. In the event that Participant's Termination Date occurs prior to the last day of the Performance Period for any reason other than death or Retirement, Participant shall, for no consideration, forfeit all Performance Share Units on the Termination Date.

(d) **Change in Control.** If a Change in Control occurs prior to the last day of the Performance Period and prior to Participant's Termination Date and if Participant's Termination Date occurs by reason of involuntary termination by the Company (other than for cause) on or within two years following the Change in Control and prior to the last day of the Performance Period, then:

(i) for the Performance Period that begins in the year in which the Termination Date occurs, Participant shall become vested in all then outstanding Target Performance Share Units to which Participant would have been entitled for the Performance Period if the target level of performance was achieved for such Performance Period, reduced on a pro rata basis to reflect the portion of the Performance Period remaining following the Termination Date; and

(ii) for any Performance Period that began before the year in which the Termination Date occurs, Participant shall become vested in all then outstanding Target Performance Share Units to which Participant would have been entitled for the applicable Performance Period if the performance achieved for the applicable Performance Period was the greater of (A) the target level of performance or (B) the Projected Level of Performance, reduced on a pro rata basis to reflect the portion of the applicable Performance Period remaining following the Termination Date.

(e) **Dividend Equivalent Units.** This Award contains the right to receive additional share units ("Dividend Equivalent Units") in respect of dividends paid with respect to shares of Stock during the Performance Period in accordance with the following:

(i) If a dividend with respect to shares of Stock is payable in shares of Stock, then, as of the applicable dividend payment date, Participant shall be credited with that number of Dividend Equivalent Units equal to (A) the number of shares of Stock

distributed in the dividend with respect to a share of Stock, multiplied by (B) the number of Performance Share Units outstanding on the dividend record date.

(ii) If a dividend with respect to shares of Stock is payable in cash, then, as of the applicable dividend payment date, Participant shall be credited with that number of Dividend Equivalent Units equal to (A) the cash dividend payable with respect to a share of Stock divided by the Fair Market Value of a share of Stock on the applicable dividend payment date, multiplied by (B) the number of Performance Share Units outstanding on the dividend record date.

The Dividend Equivalent Units credited to Participant shall be subject to the same vesting and performance conditions as the Performance Share Units and shall be settled in accordance with Section 3.

(f) **No Rights as Stockholder.** Participant shall not be a shareholder of record and therefore shall have no voting, dividend or other shareholder rights prior to the issuance of shares of Stock to Participant in accordance with this Agreement.

3. **Form and Timing of Payment and Settlement of Award.**

(a) **Settlement and Delivery of Stock Generally.** Payment and settlement of Vested Units and any related Dividend Equivalent Units shall be made as soon as administratively practicable after the applicable the last day of the Performance Period but in no event later than 2-1/2 months following the last day of the Performance Period (the date on which such payment and settlement is made, the "Settlement Date"). Notwithstanding the foregoing, in the case of any Target Performance Share Units that become Vested Units pursuant to subsection 2(d) (relating to Change in Control), the "Settlement Date" shall be the Termination Date and payment shall be made within thirty (30) days following the Settlement Date. Settlement will be made by payment in shares of Stock. Upon the settlement and payment of the Award, the Award shall be cancelled. Notwithstanding the foregoing, YUM! shall not be obligated to deliver any shares of Stock if counsel to YUM! determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of YUM! with, any securities exchange or association upon which the Stock is listed or quoted. YUM! shall in no event be obligated to take any affirmative action in order to cause the delivery of shares of Stock to comply with any such law, rule, regulation or agreement.

(b) **Non-U.S. Restrictions and Requirements.** Participant understands that the laws of the country in which he/she is working at the time of grant or vesting of the Performance Share Units (and related Dividend Equivalent Units) or at the subsequent sale of Stock granted to Participant under this Award (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may subject Participant to additional procedural or regulatory requirements he/she is solely responsible for and will have to independently fulfill in relation to ownership or sale of such Stock.

4. **Withholding of Tax.**

(a) **Liability for Tax.** Participant acknowledges that regardless of any action taken by YUM! or if different, Participant's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items arising out of Participant's participation in the Plan and legally applicable to Participant ("Tax-Related Items"), is and remains Participant's responsibility and may exceed the amount actually withheld by YUM! and/or the Employer. Participant further acknowledges that YUM! and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Share Units (and related Dividend Equivalent Units), including but not limited to, the grant, vesting or settlement of the Performance Share Units (and related Dividend Equivalent Units), the subsequent sale of Stock acquired under the Plan pursuant to such settlement and the receipt of any dividends or Dividend Equivalent Units; and (ii) do not commit and are under no obligation to structure the terms of the grant or any aspect of the grant or any aspect of the Performance Share Units (and related Dividend Equivalent Units) to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if Participant is or becomes subject to tax in more than one jurisdiction between the Grant Date and the date of any relevant taxable event or tax withholding event, as applicable, Participant acknowledges that YUM! and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) **Adequate Arrangements.** Prior to any relevant taxable or tax withholding event, as applicable, Participant shall pay or make adequate arrangements satisfactory to YUM! and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes YUM! and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with respect to Tax-Related Items by one or a combination of the following (1) withholding from Participant's wages or other cash compensation paid to Participant by YUM!, the Employer, or any Subsidiary of YUM!; or (2) withholding from the proceeds of the sale of shares of Stock acquired upon settlement of the Performance Share Units (and related Dividend Equivalent Units) either through a voluntary sale or through a mandatory sale arranged by YUM! (on Participant's behalf pursuant to this authorization); or (3) withholding in Stock to be issued upon settlement of the Performance Share Units (and related Dividend Equivalent Units).

(c) **Withholding Rates.** Depending on the withholding method, YUM! or the Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case Participant will receive a refund of any over-withheld amount in cash and will have no entitlement to the Stock equivalent. If the obligation for the Tax-Related Items is satisfied by withholding in Stock, for tax purposes, Participant is deemed to have been issued the full number of shares of Stock subject to the vested Performance Share Units (and related Dividend Equivalent Units), notwithstanding that a number of shares of Stock are held back solely for the purpose of paying the Tax-Related Items.

(d) **Participant Responsibility.** Participant shall pay to YUM! or the Employer any amount of Tax-Related Items that YUM! or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the

means previously described in this Section 4. YUM! may refuse to issue or deliver the Stock or the proceeds from the sale of Stock, if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

5. **Nature of Award.** In accepting the Performance Share Units, Participant acknowledges, understands and agrees that:

(a) **Voluntary Plan.** The Plan is established voluntarily by YUM!, it is discretionary in nature and may be modified, amended, suspended or terminated by YUM! at any time, to the extent permitted by the Plan.

(b) **No Contractual Right.** This Award of Performance Share Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Performance Share Units, or benefits in lieu of Performance Share Units, even if Performance Share Units have been granted in the past.

(c) **Not Part of Normal or Expected Compensation.** The Performance Share Units and any shares acquired under the Plan are not part of normal or expected compensation or salary for any purpose.

(d) **Foreign Exchange Rates.** Participant acknowledges and agrees that neither YUM!, the Employer nor any Subsidiary shall be liable for any foreign exchange rate fluctuation between his or her local currency and the United States Dollar that may affect the value of the Performance Share Units (and related Dividend Equivalent Units) or of any amounts due to Participant pursuant to the settlement of the Performance Share Units (and related Dividend Equivalent Units) or the subsequent sale of any shares of Stock acquired upon settlement.

(e) **Future Grants Discretionary.** All decisions with respect to future grants of Performance Share Units or other Awards, if any, will be at the sole discretion of YUM!.

(f) **Voluntary Participation.** Participant's participation in the Plan is voluntary.

(g) **No Replacement for any Compensation.** This Award of Performance Share Units and any Stock acquired under the Plan are not intended to replace any pension rights or compensation.

(h) **Unpredictable Future Value.** The future value of the Stock underlying the Performance Share Units is unknown, indeterminable and cannot be predicted with certainty.

(i) **No Damages or Claims.** No claim or entitlement to compensation or damages shall arise from termination of this Award of Performance Share Units or diminution in value of the Stock acquired upon settlement resulting from Participant's separation from service (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any), and in consideration of this Award of Performance Share Units to which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim

against YUM!, any of its Subsidiaries and/or the Employer, waives Participant's ability, if any, to bring any such claim, and releases YUM!, its Subsidiaries and/or the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim.

(j) **Termination of Employment or Service.** For purposes of the Performance Share Units without limiting the generality of any other provision of this Agreement, Participant's employment or service relationship will be considered terminated as of the date Participant is no longer actively providing services to YUM! or one of its Subsidiaries (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any), and unless otherwise expressly provided in this Agreement or determined by YUM!, Participant's right to vest in the Performance Share Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any). The Committee shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes of the Award (including whether Participant may still be considered to be providing services while on a leave of absence).

(k) **Amendment of Existing Agreements.** By accepting the Performance Share Units covered by this Agreement, Participant agrees to an amendment to the terms of all prior Global Performance Share Unit Agreements between the Company and Participant pursuant to which there are currently unvested Performance Share Units outstanding, to add a new Section 14 to such Agreements which is identical to Section 14, Restrictive Covenants, of this Agreement.

(l) **Corporate Transactions/Assumption of Award.** Unless otherwise provided in the Plan or by YUM! in its discretion, the Performance Share Units and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Share Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Stock.

6. **Compensation Recovery Policy.**

(a) **Compensation Recovery Policy.** Participant acknowledges and agrees that the Performance Share Units granted to Participant under this Agreement shall be subject to the YUM! Brands, Inc. Compensation Recovery Policy, amended and restated November 16, 2023 ("Compensation Recovery Policy"), and as in effect on the date of this Agreement and as amended from time to time.

(b) **Repayment.** This Agreement is a voluntary agreement, and Participant has voluntarily chosen to accept such Agreement. Participant understands that the Performance Share

Units provided under the Agreement and all amounts paid to the individual under the Agreement are provided as an advance that is contingent on YUM!'s financial statements not being subject to a material restatement. As a condition of the Agreement, Participant specifically agrees that the Committee may cancel, rescind, suspend, withhold or otherwise limit or restrict the Performance Share Units for any individual party to such an agreement due to a material restatement of YUM!'s financial statements, as provided in YUM!'s Compensation Recovery Policy. In the event that amounts have been paid to Participant pursuant to the Agreement and the Committee determines that Participant must repay an amount to YUM! as a result of the Committee's cancellation, rescission, suspension, withholding or other limitation or restriction of rights, Participant agrees, as a condition of being awarded such rights, to make such repayments.

7. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or sale of the Stock acquired upon vesting of the Performance Share Units (and related Dividend Equivalent Units). Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

8. **Adjustment for Change in Stock.** As set forth in the Plan, in the event of any change in the outstanding shares of Stock by reason of any stock split, stock dividend, recapitalization, merger, consolidation, combination or exchange of shares or similar corporate change, the number of shares which Participant may receive upon settlement of the Performance Share Units (and related Dividend Equivalent Units) shall be adjusted appropriately in the Committee's sole discretion.

9. **Employment Relationship.** For purposes of this Agreement, Participant shall be considered to be in the employment of the Company as long as Participant remains an employee of YUM! or any of its Subsidiaries or a corporation or a subsidiary of YUM! assuming or substituting a new award for this Award of Performance Share Units. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final. Nothing contained in this Agreement is intended to constitute or create a contract of service or employment, nor shall it constitute or create the right to remain associated with or in the service or employ of YUM!, the Employer or any other Subsidiary or related company for any particular period of time. This Agreement shall not interfere in any way with the right of YUM!, the Employer or any Subsidiary or related company, as applicable, to terminate Participant's service or employment at any time. Furthermore, this Agreement, the Plan, and any other Plan documents are not part of Participant's employment contract, if any, and do not guarantee either Participant's right to receive any future grants of Awards or benefits in lieu thereof under this Agreement or the Plan. The Performance Share Units and any Stock acquired under the Plan and the income and value of same are not part of normal or expected compensation for any purposes of calculating any severance, resignation, termination, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments.

10. **Data Privacy.** Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement and any other Award materials ("Data") by and among, as applicable, the Employer, YUM! and its Subsidiaries for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.

Participant understands that YUM! and the Employer may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Stock or directorships held in YUM!, details of all Awards of Performance Share Units or any other entitlement to Stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor, for the exclusive purpose of implementing, administering and managing the Plan.

Participant understands that Data will be transferred to Merrill Lynch, which is assisting YUM! with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections from Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Participant authorizes YUM!, Merrill Lynch and any other possible recipients which may assist YUM! (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Participant understands that he or she is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing his or her consent is that YUM! would not be able to grant Participant Performance Share Units or other Awards or administer or maintain such Awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

11. **Mode of Communications.** Participant agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that YUM! or related company may deliver in connection with this grant and any

other grants offered by YUM!, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via YUM!'s email system or by reference to a location on YUM!'s intranet or website or website of YUM!'s agent administering the Plan. To the extent Participant has been provided with a copy of this Agreement, the Plan, or any other documents relating to this Award in a language other than English, the English language documents will prevail in case of any ambiguities or divergences as a result of translation.

12. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Performance Share Units (and related Dividend Equivalent Units).

13. **Severability.** The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

14. **Restrictive Covenants.** By accepting the Performance Share Units, and in consideration of these units and receipt of confidential information from the Company during his or her employment, Participant specifically agrees to the restrictive covenants contained in this Section 14 (the "Restrictive Covenants") and agrees that the Restrictive Covenants and the remedies described herein are reasonable and necessary to protect the legitimate interests of the Company. Subsections 14(b) and 14(c) apply to Participants who are Level 15 employees (or the equivalent of a Level 15 Employee) of the Company or above.

(a) **Confidentiality.** In consideration for receiving the Performance Share Units, Participant acknowledges that the Company is engaged in a competitive business environment and has a substantial interest in protecting its confidential information. Participant agrees that he or she has received and continues to receive, by virtue of his or her position with the Company, access to confidential information (including trade secrets) related to the Company and its business, and Participant agrees, during his or her employment with the Company and thereafter, and in consideration of receiving such information to maintain the confidentiality of the Company's confidential information and to use such confidential information for the exclusive benefit of the Company, except where disclosure is required to be made to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law or in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, nothing in this Agreement prevents Participant from disclosing information about a dispute involving alleged sexual harassment or sexual assault as protected by the federal Speak Out Act or other state or local laws nor from exercising rights under Section 7 of the NLRA to the extent applicable to Participant.

(b) **Competitive Activity.**

(i) During Participant's employment with the Company and for one year following the termination of Participant's employment for any reason whatsoever, Participant agrees and covenants that: Participant shall not either directly or indirectly, alone or in conjunction with any other party or entity, perform services, work or consulting for one or more Competitor Companies anywhere in the world. A "Competitor Company" shall be defined as: (A) any company or other entity engaged as a "quick service restaurant" ("QSR") and (B) any company or other entity that is a delivery-oriented restaurant; and (iii) any entity under common control with an entity included in (A) or (B), above. Competitor Companies covered under this definition include, but are not limited to: McDonald's, Domino's Pizza, Starbucks, Wendy's, Papa John's, Restaurant Brands International (including Burger King, Tim Horton's and Popeye's Chicken), Culver's, In-N-Out Burger, Sonic, Hardee's, Arby's, Jack-in-the-Box, Chick-fil-A, Chipotle, Qdoba, Panera Bread, Subway, Dunkin' Brands, Five Guys, Bojangles, Church's, Del Taco, Little Caesars, Subway, Dico's, Jollibee, Blaze, MOD Pizza, JAB Holding Company, Darden Restaurants, Inspire Brands and Focus Brands, and their respective organizations, partnerships, ventures, sister companies, franchisees, affiliates, franchisee organizations, cooperatives or any organization in which they have an interest and which are involved in the QSR restaurant industry anywhere in the world, or which otherwise compete with Yum Brands, Inc.

(ii) Notwithstanding the forgoing, the provisions of this subsection 14(b) are not applicable to a Participant who is a resident of California and provides the majority of his or her services to the Company within California.

(c) **Non-Solicitation.** During Participant's employment and for eighteen months following the later of (1) termination of Participant's employment for any reason whatsoever or (2) the last scheduled award vesting date, Participant shall not:

(i) induce or attempt to induce any employee of the Company to leave the employ of Company;

(ii) induce or attempt to induce any employee of the Company to work for, render services to, or provide advice to any third party;

(iii) induce or attempt to induce any current or former employee of the Company to supply confidential information of Company to any third party, except where disclosure of a suspected violation of law is made to a federal, state, or local government official or to an attorney for the purpose of reporting or investigating a suspected violation of law or in a complaint or other document filed in a lawsuit or other proceeding, if such complaint or other document is filed under seal;

(iv) employ, or otherwise pay for services rendered by, any employee of the Company in any business enterprise with which Participant may be associated, connected or affiliated;

(v) induce or attempt to induce any customer, franchisee, supplier, licensee, licensor or other business relation of Company to cease doing business with Company, or in any way interfere with the then existing business relationship between any such customer, franchisee, supplier, licensee, licensor or other business relation and Company; or

(vi) assist, solicit, or encourage any other third party, directly or indirectly, in carrying out any activity set forth above that would be prohibited by any of the provisions of this Agreement if such activity were carried out by Participant. In particular, Participant will not, directly or indirectly, induce any employee of Company to carry out any such activity.

Notwithstanding the forgoing, the provisions of this subsection 14(c) are not applicable to a Participant who is a resident of California and provides the majority of his or her services to the Company within California. The Company and Participant agree that the provisions of this Section 14 contain restrictions that are not greater than necessary to protect the interests of the Company.

(d) **Partial Invalidity.** In the event that any portion of this Section 14 shall be determined by a court or arbitrator to be unenforceable because it is unreasonably restrictive in any respect, it shall be interpreted to extend over the maximum period of time for which it reasonably may be enforced and to the maximum extent for which it reasonably may be enforced in all other respects, and enforced as so interpreted, all as determined by such court or arbitrator in such action. Participant acknowledges the uncertainty of the law in this respect and expressly stipulates that this Agreement is to be given the construction that renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law.

(e) **Clawback and Recovery.** Participant agrees that a breach of any of the Restrictive Covenants set forth in this Section 14 would cause material and irreparable harm to the Company. Accordingly, Participant agrees that if the Committee, in its sole discretion, determines that Participant has violated any of the Restrictive Covenants contained in this Section 14, either during employment with the Company or after such employment terminates for any reason, the following rules shall apply:

(i) The Committee may (A) terminate such Participant's participation in the Plan and/or (B) send a "Recapture Notice" that will (1) cancel all or a portion of this or any outstanding Performance Share Units, (2) require the return of any shares of Stock received upon settlement of this or any prior Performance Share Units and/or (3) require the reimbursement to the Company of any net proceeds received from the sale of any shares of Stock acquired as a result of such settlement.

(ii) Under this Section 14, the obligation to return shares of Stock received and/or to reimburse the Company for any net proceeds received pursuant to a Recapture Notice, shall be limited to shares and/or proceeds received by Participant within the

period that is one year prior to and one year following Participant's termination of employment.

(iii) The Committee has sole and absolute discretion to take action or not to take action pursuant to this Section 14 upon determination of a breach of a Restrictive Covenant, and its decision not to take action in any particular instance shall not in any way limit its authority to send a Recapture Notice in any other instance.

(iv) Any action taken by the Committee pursuant to this Section 14(e) is without prejudice to any other action the Committee may choose to take upon determination that Participant has violated a Restrictive Covenant contained herein.

(v) This subsection 14(e) will cease to apply upon a Change in Control.

(f) **Right of Set Off.** By accepting the Performance Share Units, Participant agrees that any member of the Company Group may set off any amount owed to Participant (including wages or other compensation, fringe benefits or vacation pay) against any amounts Participant owes under this Section 14.

15. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to YUM! and all persons lawfully claiming under Participant.

16. **Insider Trading Restrictions/Market Abuse Laws.** Participant acknowledges that, depending on his or her country of residence, Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell shares of Stock or rights to shares of Stock (e.g., Performance Share Units) under the Plan during such times as Participant is considered to have "inside information" regarding YUM! (as defined by the laws in Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant is advised to speak to his or her personal advisor on this matter.

17. **Governing Law and Forum.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of North Carolina. For purposes of resolving any dispute that may arise directly or indirectly from this Agreement, the parties hereby agree that any such dispute that cannot be resolved by the parties shall be submitted the Committee for resolution, and any decision by the Committee shall be final. For purposes of litigating any dispute that arises under this grant, Participant's participation in the Plan or this Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Kentucky and agree that such litigation shall be conducted in the courts of Jefferson County, Kentucky, or the federal courts for the United States for the Western District of Kentucky, where this grant is made and/or to be performed.

18. **Addendum.** Notwithstanding any provisions in this Agreement, the Award of Performance Share Units (and related Dividend Equivalent Units) shall be subject to any special

terms and conditions set forth in any Addendum to this Agreement for Participant's country. Moreover, if Participant relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to Participant, to the extent YUM! determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Addendum constitutes part of this Agreement.

19. **Imposition of Other Requirements.** YUM! reserves the right to impose other requirements on Participant's participation in the Plan, on the Performance Share Units and on any Stock acquired under the Plan, to the extent YUM! determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

20. **Waiver.** Participant acknowledges that a waiver by the company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by Participant or any other Participant.

21. **Section 409A Provisions.** Notwithstanding anything in this Agreement (or the Plan) to the contrary:

(a) **Generally.** It is intended that any amounts payable under this Agreement shall either be exempt from or comply with Code Section 409A so as not to subject Participant to payment of any additional tax, penalty or interest imposed under Code Section 409A. The provisions of this Agreement shall be construed and interpreted to avoid the imputation of any such additional tax, penalty or interest under Code Section 409A yet preserve (to the nearest extent reasonably possible) the intended benefit payable to Participant. Notwithstanding the foregoing or any other provision of this Agreement, neither YUM! nor any Subsidiary guarantees the tax treatment of the award evidenced by this Agreement (or other awards under the Plan).

(b) **Specified Employee.** If any payment hereunder (whether separately or together with any other payments) is subject to Code Section 409A, and if such payment or benefit is to be paid or provided on account of Participant's termination of employment (or other separation from service or termination of employment) (i) and if Participant is a specified employee (within the meaning of Code Section 409A) and if any such payment is required to be made or provided prior to the first day of the seventh month following Participant's separation from service or termination of employment, such payment shall be delayed until the first day of the seventh month following Participant's separation from service or termination of employment, and (ii) the determination as to whether Participant has had a termination of employment (or separation from service) shall be made in accordance with the provisions of Code Section 409A without application of any alternative levels of reductions of bona fide services permitted thereunder.

May 7, 2024

Yum! Brands, Inc.
Louisville, Kentucky

Re: Registration Statements (No. 333-248288) on Form S-3 and (No. 333-36877, 333-32050, 333-36955, 333-36961, 333-36893, 333-32048, 333-109300, 333-64547, 333-32052, 333-109299, 333-170929, and 333-223152) on Form S-8.

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated May 7, 2024 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of Sections 7 and 11 of the Act.

/s/ KPMG LLP

Louisville, Kentucky

CERTIFICATION

I, David Gibbs, certify that:

1. I have reviewed this report on Form 10-Q of YUM! Brands, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report.
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2024

/s/ David Gibbs

Chief Executive Officer

CERTIFICATION

I, Chris Turner, certify that:

1. I have reviewed this report on Form 10-Q of YUM! Brands, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report.
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2024

/s/ Chris Turner

Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of YUM! Brands, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, David Gibbs, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2024

/s/ David Gibbs

Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to YUM! Brands, Inc. and will be retained by YUM! Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of YUM! Brands, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, Chris Turner, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2024

/s/ Chris Turner

Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to YUM! Brands, Inc. and will be retained by YUM! Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.