

Corporate Human Rights Benchmark 2018 Company Scoresheet



Company Name Yum! Brands
Industry Agricultural Products (Supply Chain and Own Operations)
Overall Score (*) 11.5 out of 100

Theme Score	Out of	For Theme
1.1	10	A. Governance and Policies
1.4	25	B. Embedding Respect and Human Rights Due Diligence
1.3	15	C. Remedies and Grievance Mechanisms
0.3	20	D. Performance: Company Human Rights Practices
5.0	20	E. Performance: Responses to Serious Allegations
2.6	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2018 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 • Met: General HRs commitment: "Yum! Brands is committed to maintaining a work environment that respects and supports human rights for all of our employees around the world". [Human Rights and Labor Practices Policy: yumcsr.com] Score 2 • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Not met: ILO Core: The company indicates that "We will not employ underage children or forced labourers and we prohibit physical punishment or abuse. We respect the right of all employees to associate or not to associate with any group, as permitted by applicable laws and regulations.[...] We promote, protect and help ensure the equal enjoyment of human rights by all persons, including minorities, women and those with disabilities" This policy covers non-discrimination, the prohibition of child labor and forced labor and freedom of association, however, collective bargaining has not been mentioned. [Human Rights and Labor Practices Policy: yumcsr.com] • Not met: UNGC principles 3-6 • Not met: All four ILO for AG suppliers: The supplier code of conduct included in the "human rights and Labor practices policy" includes commitment to non-

Indicator Code	Indicator name	Score (out of 2)	Explanation
			discrimination, child labour and forced labour. No evidence found, however, of commitments covering freedom of association and collective bargaining for suppliers". [Human Rights and Labor Practices Policy: yumcsr.com] Score 2 <ul style="list-style-type: none"> • Not met: All four ILO Core: See above • Met: Respect H&S of workers: The company is "committed to providing safe and healthy work environments and to being an environmentally responsible corporate citizen. It is our policy to comply with all applicable environmental, safety and health laws and regulations." [Yum! Worldwide Code of Conduct, 2015: yum.com] • Met: H&S applies to AG suppliers: The supplier code of conduct included in the 'human rights and Labor practices policy' states that 'In compliance with all applicable laws, regulations, codes and industry standards, suppliers are expected to provide their employees with safe and healthy working conditions'. [Human Rights and Labor Practices Policy: yumcsr.com]
A.1.3.a.AG	Commitment to respect human rights particularly relevant to the industry - land and natural resources (AG)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Respect land ownership and resources • Not met: Respecting the right to water • Not met: Expecting suppliers to respect these rights Score 2 <ul style="list-style-type: none"> • Not met: Voluntary Guidelines on Tenure • Not met: IFC Performance Standards • Not met: FPIC for all • Not met: Zero tolerance for land grabs • Not met: Respecting the right to water • Not met: Expecting suppliers to respect these rights
A.1.3.b.AG	Commitment to respect human rights particularly relevant to the industry - people's rights (AG)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Women's rights: The company indicates that they promote, protect and help ensure the equal enjoyment of human rights by all persons, including minorities, women and those with disabilities. However this does not include a commitment to respect women or migrant workers' rights. [Human Rights and Labor Practices Policy: yumcsr.com] • Not met: Children's rights • Not met: Migrant worker's rights • Not met: Expects suppliers to respect these rights Score 2 <ul style="list-style-type: none"> • Not met: CEDAW/Women's Empowerment Principles • Not met: Child Rights Convention/Business Principles • Not met: Convention on migrant workers • Not met: Expecting suppliers to respect these rights
A.1.4	Commitment to engage with stakeholders	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Commits to stakeholder engagement: The company indicates that the stakeholders are central to guiding the important CSR decisions and actions they make. "That's why our focus is to create positive change through our CSR actions that extends to all of our key stakeholders including employees, franchisees, suppliers, investors, customers and the local communities we serve." The list of engagement areas include "diversity and inclusion" and "human rights". [Our CSR Methodology - Stakeholders: yumcsr.com] • Not met: Regular stakeholder engagement Score 2 <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to remedy Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AG suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Zero tolerance attacks on HRs Defenders (HRDs) Score 2 <ul style="list-style-type: none"> • Not met: Expects AG suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: CEO or Board approves policy • Not met: Board level responsibility for HRs: The Company indicates that annually the Board of Directors is formally updated on CSR commitments and progress. However, responsibility for CSR issues is allocated to the Chief Sustainability Officer and the VP of Corporate Social Responsibility, which are not board members. No additional details found in public sources. [CSR structure on website: yumcsr.com] Score 2 <ul style="list-style-type: none"> • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Board/Committee review of salient HRs: The Company indicates on its website that “we formally update our Board of Directors annually on our CSR commitments and progress, and cascades throughout the entire business”. However, although board receives updates annually, it is not clear whether it is involved in addressing human rights issues as part of its duties. [CSR structure on website: yumcsr.com] Score 2 <ul style="list-style-type: none"> • Not met: Examples or trends re HR discussion • Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Incentives for at least one board member • Not met: At least one key AG HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Senior responsibility fo HR (inc ILO): The Company indicates on its website that “CSR activities are led in partnership between our Global Sustainability and Public Affairs teams that are spearheaded by our Chief Sustainability Officer and Vice President of Corporate Social Responsibility”. However, in order to meet this indicator, the Company’s policies must include the ILO core labour standards at a minimum, and evidence has not been found in relation to a commitment to respect the right to collective bargaining. [CSR structure on website: yumcsr.com] Score 2 <ul style="list-style-type: none"> • Not met: Day-to-day responsibility: Although the Company indicates that it has “Global Sustainability and Public Affairs teams”, no further details found. [CSR structure on website: yumcsr.com] • Not met: Day-to-day responsibility in supply chain
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Senior manager incentives for human rights • Not met: At least one key AG HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: HR part of enterprise risk system Score 2 <ul style="list-style-type: none"> • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Communicates its policy to all workers in own operations: In order to get any score under this indicator, the human rights policy commitment must include the ILO core labor standards at a minimum. Score 2 <ul style="list-style-type: none"> • Not met: Communication of policy commitments to stakeholder

Indicator Code	Indicator name	Score (out of 2)	Explanation
	Company's own operations		<ul style="list-style-type: none"> • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Steps to communicate policy commitments to BRs • Not met: Including to AG suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How HR commitments made binding/contractual • Not met: Including on AG suppliers
B.1.5	Training on Human Rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Trains all workers on HR policy commitments • Not met: Trains relevant managers including procurement: The company indicates that is the responsibility of the worker to become familiar with The Code of conduct and comply with all requirements. The company requires certain employees to complete a web-based anti-bribery training course. In addition to the Code of Conduct, they have developed a comprehensive program continuing compliance training for above-restaurant employees. However it is not clear whether these training include specific human rights training relevant to their role. [Yum! Worldwide Code of Conduct, 2015: yum.com & Ethics and Compliance: yumcsr.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Monitoring implementation of HR policy commitments: In order to get any score under this indicator, the human rights policy commitment must include the ILO core labor standards at a minimum. • Not met: Monitoring AG suppliers: The Company states that "we require suppliers to conduct audits and inspections to verify compliance with the Supplier Code of Conduct. In addition, we reserve the right to conduct unannounced assessments, audits and inspections of supplier facilities". It also indicates "to manage performance, audits of key suppliers are conducted annually, which includes a review of the supplier's internal processes and site visits as needed". No evidence found, however, of suppliers being monitored against policies covering all ILO core areas. [Governance documents on website: investors.yum.com & Human Rights and Labor Practices Policy: yumcsr.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes corrective action process • Not met: Example of corrective action • Not met: Discloses % of supply chain monitored
B.1.7	Engaging business relationships	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HR affects selection of suppliers: "It is our expectation that every supplier in our global system abides by our Supplier Code of Conduct and agreeing to the Supplier Code of Conduct, is a prerequisite to doing business with us." [Human Rights and Labor Practices Policy: yumcsr.com] • Met: HR affects on-going supplier relationships: "In addition to any contractual rights of Yum! Brands or Restaurant Supply Chain Solutions, LLC (RSCS), the supplier's failure to observe the Supplier Code of Conduct may subject them to disciplinary action, which could include termination of the supplier relationship." [Human Rights and Labor Practices Policy: yumcsr.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirement under score 1 met: See above • Not met: Working with suppliers to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Stakeholder process or systems • Not met: Frequency and triggers for engagement • Not met: Workers in SC engaged • Not met: Communities in the SC engaged <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifying risks in own operations • Not met: Identifying risks in AG suppliers Score 2 <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Example of Actions decided • Not met: Including in AG supply chain Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans Score 2 <ul style="list-style-type: none"> • Not met: Including AG suppliers • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Code of conducts applies to all employees and its subsidiaries. It indicates that “if you think that something is wrong, are unsure what is proper conduct in a particular situation or believe that another employee may have violated Yum! Policies or applicable law [...] you have the duty to raise questions and report concerns immediately”. The Company’s integrity line, ‘The Network’, is an organization independent from Yum!. The Company provides different phone numbers and persons to report. [Yum! Worldwide Code of Conduct, 2015: yum.com] Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Channel is available in all appropriate languages: The company has in the Code of Conduct a list with all the numbers of the Network helpline for different countries in which it operates. However, it is not clear whether these numbers provide response in all the appropriate languages. [Yum! Worldwide Code of Conduct, 2015: yum.com] • Not met: Expect AG supplier to have equivalent grievance systems • Not met: Opens own system to AG supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Grievance mechanism for community <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects AG supplier to have community grievance systems • Not met: AG supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AG suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Response timescales • Not met: How complainants will be informed <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Public statement prohibiting retaliation: The Code states that 'Yum! has a strict policy against retaliation for good faith reports. No one may threaten you or take any action against you for raising questions or reporting concerns.' However, no evidence found in relation to this channel covering external stakeholders. [Yum! Worldwide Code of Conduct, 2015: yum.com] • Met: Practical measures to prevent retaliation: In relation to reporting concerns through grievance mechanisms, the Code states that "if you wish, you may call anonymously on the Yum! Integrity helpline, called The Network, at the appropriate number listed below. The Network is an organization independent from Yum!". [Yum! Worldwide Code of Conduct, 2015: yum.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Has not retaliated in practice • Not met: Expects AG suppliers to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.a	Living wage (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage target timeframe • Not met: Describes how living wage determined Score 2 <ul style="list-style-type: none"> • Not met: Paying living wage • Not met: Definition of living wage reviewed with unions
D.1.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage in supplier code or contracts • Not met: Improving living wage practices of suppliers Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends in progress made
D.1.2	Aligning purchasing decisions with human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Avoids business model pressure on HRs (purchasing practices) • Not met: Positive incentives to respect human rights (purchasing practices) Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.1.3	Mapping and disclosing the supply chain	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifies suppliers back to manufacturing sites (factories or fields) Score 2 <ul style="list-style-type: none"> • Not met: Discloses significant parts of SP and why
D.1.4.a	Child labour: Age verification and corrective actions (in own agricultural operations)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Does not use child labour: The company indicates they will not employ underage children. [Human Rights and Labor Practices Policy: yumcsr.com] • Not met: Age verification of applicants and workers Score 2 <ul style="list-style-type: none"> • Not met: Remediation if children identified
D.1.4.b	Child labour: Age verification and corrective actions (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Child Labour rules in codes or contracts: The company indicates in the supplier code of Conduct that "suppliers should not use workers under the legal age for employment for the type of work being performed in any facility in which the supplier is doing work for Yum! Brands. In no event should suppliers use employees younger than 14 years of age". However no specific commitment is required to verify the age of job applicants and workers and providing remediation programmes. [Human Rights and Labor Practices Policy: yumcsr.com] Score 2 <ul style="list-style-type: none"> • Not met: How working with suppliers on child labour • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made
D.1.5.a	Forced labour: Debt bondage and other unacceptable financial costs (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Pays workers in full and on time • Not met: Payslips show any legitimate deductions Score 2 <ul style="list-style-type: none"> • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters
D.1.5.b	Forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Debt and fees rules in codes or contracts • Not met: How working with suppliers on debt & fees Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.5.c	Forced labour: Restrictions on workers (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Does not retain documents or restrict movement Score 2 <ul style="list-style-type: none"> • Not met: How these practices are monitored for agencies, labour brokers or recruiters
D.1.5.d	Forced labour: Restrictions on workers (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Free movement rules in codes or contracts • Not met: How working with suppliers on free movement Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made
D.1.6.a	Freedom of association and collective bargaining (in own agricultural operation)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits not to interfere with union rights / Steps to avoid intimidation or retaliation: The company indicates “We respect the right of all employees to associate or not to associate with any group, as permitted by applicable laws and regulations.” However no commitment has been found on not to interfere with the right of workers to joint trade unions or to collective bargaining. [Human Rights and Labor Practices Policy: yumcsr.com] Score 2 <ul style="list-style-type: none"> • Not met: Discloses % covered by collective bargaining agreements • Not met: Both requirements under score 1 met
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: FoA & CB rules in codes or contracts • Not met: How working with suppliers on FoA and CB Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends in progress made
D.1.7.a	Health and safety: Fatalities, lost days, injury rates (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Injury Rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosures Score 2 <ul style="list-style-type: none"> • Not met: Set targets for H&S performance • Not met: Met targets or explains why not
D.1.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Sets out clear Health and Safety requirements • Not met: Injury Rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosure Score 2 <ul style="list-style-type: none"> • Not met: How working with suppliers on H&S • Not met: Provide analysis of trends in progress made
D.1.8.a	Land rights: Land acquisition (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Approach to identification of land tenure rights holders • Not met: Approach to doing so if no recent land deals Score 2 <ul style="list-style-type: none"> • Not met: How valuation and compensation works • Not met: Steps to meet IFC PS 5 in state deals • Not met: Describes approach if no recent land deals
D.1.8.b	Land rights: Land acquisition (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Rules on land & owners in codes or contracts • Not met: How working with suppliers on land issues Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends in the progress made

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.9.a	Water and sanitation (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Action to prevent water and sanitation risks Score 2 <ul style="list-style-type: none"> Not met: Water targets considering local factors Not met: Reports progress and shows trends in progress made
D.1.9.b	Water and sanitation (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Rules on water stewardship in codes or contracts Not met: How working with suppliers on water stewardship issues Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met Not met: Provide analysis of trends in progress made
D.1.10.a	Women's rights (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Process to stop harassment and violence against women Not met: Working conditions take account of gender Not met: Equality of opportunity at all levels of employment: The Company indicates on its website that it has "established a target to advance more women into leadership and achieve gender parity in senior leadership globally by 2030". However, no evidence found in relation to how the company provides equal opportunity for women in the workforce that are monitored and maintained throughout all levels of employment. [News - Expansion of commitment to diversity and inclusion: yum.com] Score 2 <ul style="list-style-type: none"> Not met: Meet all requirements under score 1
D.1.10.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Women's rights in codes or contracts Not met: How working with suppliers on women's rights Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met Not met: Provide analysis of trends in progress made

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> Area: Forced labour, working hours Headline: ABC TV alleged that suppliers to KFC were exploiting migrant workforces Sources: Australian Financial Review, 05/05/2015 Fair Work Ombudsman press release, 07/05/2015 and 06/06/2015 fairwork.gov.au ABC, 17/06/2015 abc.net.au ABC, 04/05/2015 abc.net.au and abc.net.au and Franchise Business, 06/05/15 - franchisebusiness.com.au (contains KFC statement) Allegation: In May 2015, an ABC TV Four Corners report alleged that suppliers to large Australian retailers, including Woolworths and KFC, were exploiting their migrant workforces. KFC is a wholly-owned subsidiary of Yum! Brands. The ABC report looked at Baiada, which allegedly supplied the Company, amongst other retailers, with Steggles and Lilydale chickens. The ABC programme interviewed two workers who said they worked up to 18 hours per day, seven days a week. There were also allegations of abuse as one interviewee alleged that 20 women in the processing line cutting chickens were all crying from the pain in their hands, while their supervisor verbally abused them. Workers at the Baiada Adelaide chicken factory were employed via KC Fresh Choice, an employment agency. A few months later The Fair Work Ombudsman also released the findings of its inquiry from November 2013 (sparked by another TV investigation) into Baiada Group work practices, which examined complaints that workers were underpaid, forced to work extremely long hours and required to pay high rents for overcrowded and unsafe employee accommodation. It found non-compliance with international regulation poor standards of governance and exploitation of labour.
E(1).1	The Company has responded publicly to the allegation	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Public response available: The Company has responded to the allegations. <p>The Company publicly responded to the ABC programme, stating: 'KFC Australia is committed to conducting business in an ethical, legal and socially responsible manner and we require our major chicken and produce suppliers to abide by all applicable laws, codes and regulations as well as the high standards set out in our</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Supply Chain Management Code of Conduct. We absolutely do not condone the mistreatment of any workforce member – no matter what part of the supply chain or business area they represent.'</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail: <p>The Company publicly responded to the ABC programme, stating: 'KFC Australia is committed to conducting business in an ethical, legal and socially responsible manner and we require our major chicken and produce suppliers to abide by all applicable laws, codes and regulations as well as the high standards set out in our Supply Chain Management Code of Conduct. We absolutely do not condone the mistreatment of any workforce member – no matter what part of the supply chain or business area they represent.'</p> <p>Baiada's response</p> <p>Baiada responded to the ABC programme, stating that the allegations were inconsistent with prior checks and audits on its contract labour providers. The Company said it would instigate a further review as a result of the Four Corners programme.</p> <p>The Company has a Global Supplier Code of Conduct which, in relation to working hours, states: 'In compliance with applicable laws, regulations, codes and industry standards, suppliers are expected to ensure that their employees have safe and healthy working conditions and reasonable daily and weekly work schedules. Employees should not be required to work more than the number of hours allowed for regular and overtime work periods under applicable local, state and federal law.'</p> <p>The Company requires its suppliers to conduct audits and inspections to verify compliance with its code of conduct. The Company states that it reserves the right to conduct unannounced assessments, audits and inspections of supplier facilities. The Company states that violations lead to disciplinary action, including termination of the relationship for repeated violations or noncompliance.</p> <p>KC Fresh Choice's response</p> <p>KC Fresh Choice responded to the ABC programme, stating: 'Worker's conditions are exaggerated and unsubstantiated. We have policies according to Australian Regulations and Laws set out by Fair Work Commission.' The company stated: 'We take abuse of workers very seriously as we are at risk of losing our contract. If you have further information regarding the complainant please forward to us so we can investigate and take appropriate action if found any of our employees has in fact abused or mistreated any workers. Those individual actions are not tolerated by KC Fresh Choice.'</p>
E(1).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: <p>The Company publicly responded to the ABC programme, stating: 'KFC Australia is committed to conducting business in an ethical, legal and socially responsible manner and we require our major chicken and produce suppliers to abide by all applicable laws, codes and regulations as well as the high standards set out in our Supply Chain Management Code of Conduct. We absolutely do not condone the mistreatment of any workforce member – no matter what part of the supply chain or business area they represent.'</p> <p>Baiada's response</p> <p>Baiada responded to the ABC programme, stating that the allegations were inconsistent with prior checks and audits on its contract labour providers. The Company said it would instigate a further review as a result of the Four Corners programme.</p> <p>The Company has a Global Supplier Code of Conduct which, in relation to working hours, states: 'In compliance with applicable laws, regulations, codes and industry standards, suppliers are expected to ensure that their employees have safe and healthy working conditions and reasonable daily and weekly work schedules. Employees should not be required to work more than the number of hours allowed for regular and overtime work periods under applicable local, state and federal law.'</p> <p>The Company requires its suppliers to conduct audits and inspections to verify compliance with its code of conduct. The Company states that it reserves the right to conduct unannounced assessments, audits and inspections of supplier facilities.</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>The Company states that violations lead to disciplinary action, including termination of the relationship for repeated violations or noncompliance.</p> <p>KC Fresh Choice's response KC Fresh Choice responded to the ABC programme, stating: 'Worker's conditions are exaggerated and unsubstantiated. We have policies according to Australian Regulations and Laws set out by Fair Work Commission.' The company stated: 'We take abuse of workers very seriously as we are at risk of losing our contract. If you have further information regarding the complainant please forward to us so we can investigate and take appropriate action if found any of our employees has in fact abused or mistreated any workers. Those individual actions are not tolerated by KC Fresh Choice.'</p> <ul style="list-style-type: none"> • Met: Policies apply to the type of business relationships involved: The Company has a forced labour policy for suppliers. The Company has a Global Supplier Code of Conduct which includes forced and indentured labour. The code states: 'In accordance with applicable law, no supplier should perform work or produce goods for Yum using labor under any form of servitude, nor should threats of violence, physical punishment, confinement, or other form of physical, sexual, psychological, or verbal harassment or abuse be used as a method of discipline or control.' <p>However, it only has a partial working hours policy for suppliers. The Company would need to publish a working hours policy for suppliers that limits the regular working week to 48 hours, limits the working week including overtime to 60 hours, requires that workers have one day off in every seven (or two days off in 14 where allowed by national law) and specifically prohibits forced overtime.</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Not met: Has improved systems and engaged affected stakeholders: The Fair Work Ombudsman is to conduct an investigation into the allegations. It has imposed systems changes on the supplier in order to prevent a recurrence of the breach (see below). <p>In November 2015, Baiada entered into a three-year 'Proactive Compliance Deed' with the Fair Work Ombudsman which various measures, including:</p> <ul style="list-style-type: none"> • auditing requirements to ensure the contractor or subcontractor has complied with Commonwealth Workplace Laws and Fair Work Instruments • training of workers to ensure knowledge of their rights and entitlements • taking all reasonably necessary and practicable steps to ensure each contractor and subcontractor provides Baiada written certification of its contractual obligations to comply with Commonwealth Workplace Laws • setting up a hotline service • setting aside money to reimburse any workers found to have been underpaid since 1 January 2015. However, there is no evidence whether Yum! Brands have taken steps to improve its own systems. <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	0.55 out of 4	Out of a total of 51 indicators assessed under sections A-D of the benchmark, Yum! Brands made data public that met one or more elements of the methodology in 7 cases, leading to a disclosure score of 0.55 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	<p>The individual elements of the assessment are met or not as follows: Score 2</p> <ul style="list-style-type: none"> • Met: Company reports on GRI: The company reported on GRI on 2016 [GRI Index: yumcsr.com] • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	Yum! Brands met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples

Indicator Code	Indicator name	Score	Explanation
			<ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.1.1.a : Living wage (in own agricultural operations) • Not met: Score 2 for D.1.7.a : Health and safety: Fatalities, lost days, injury rates (in own agricultural operations)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2018 Key Findings report for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.