

YUM! BRANDS, INC.

POLITICAL CONTRIBUTIONS & U.S. GOVERNMENT ADVOCACY POLICY

Applicability

This Policy applies to corporate political contributions and policy advocacy by Yum! Brands, Inc. and its wholly-owned subsidiaries (together, the “Company”). This Policy applies to the Company’s U.S. markets. This Policy is reviewed by the Nominating and Governance Committee of the Company’s Board of Directors on an annual basis.

Background & Philosophy

The Company, its employees and franchisee business partners are directly impacted by public policy decisions developed and implemented by federal, state and local governments. Therefore, it is appropriate for the Company to be involved in the political process, including by making prudent political contributions that are consistent with its business objectives and through direct advocacy activities, participation with trade associations and other organizations that may share our views on policy matters of relevance to the Company. The Company conducts its advocacy and contributions activities under the direction of appropriate senior management with oversight by the Board of Directors and in compliance with all federal, state and local laws.

Procedures

The Company maintains comprehensive procedures to ensure that its political contributions and advocacy activities comply with all relevant laws and reporting requirements. Political contributions and advocacy expenditures are only made with the advance approval of the Vice President of Government Affairs if that officer determines that such a contribution or expenditure is beneficial to the interests of the Company and its restaurant system, without regard to specific interests of individual officers or directors, and with input from legal counsel when appropriate. The Company’s Government Affairs department works with Company employees wherever the Company is involved in political or public policy activities. In accordance with the Company’s *Code of Conduct*, the Company will not reimburse employees for political contributions and the Company prohibits employees from making any payment of money or any other thing of value to any government official in exchange for official action.

Policy Advocacy

The Company seeks to ensure that its point of view is considered in the development of policies affecting our business, franchisees, employees, customers and shareholders. Our priorities include issues related to food safety; health and nutrition; workplace requirements and practices; tax policy; and the regulation of foodservice

operations and practices.

The Company's federal advocacy efforts are subject to quarterly and semi-annual public reporting under the U.S. Lobbying Disclosure Act. These reports are publicly available and may be found at:

<http://lobbyingdisclosure.house.gov/>

http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm.

Contributions Criteria

Political action committee (PAC) and corporate contributions are made to candidates based on several criteria including:

- The candidate's understanding and support for issues important to the Company and its employees;
- The candidate's position in leadership or on key committees, or the candidate's potential for leadership; and
- The candidate's prior positions and actions in relation to the Company's advocacy priorities.

The Company does not make direct independent expenditures on behalf of candidates in elections.

Political Action Committee (PAC) Contributions

The Company maintains a nonpartisan political action committee, the Yum! Good Government Fund. Established in 1997, the PAC's activities are authorized by federal law which allows the Company to solicit voluntary contributions from eligible U.S. employees for the purpose of providing financial support to political candidates. The PAC files periodic reports with the Federal Election Committee (FEC) to show the source of the funds received and how they were expended, all of which are readily available for public inspection at www.fec.gov. The PAC also may make contributions at the state level as permitted by law and files disclosure reports as appropriate with the relevant state oversight agencies. All contributions are reported to the Nominating and Governance Committee of the Company's Board of Directors by senior management on an annual basis.

Yum! Brands, Inc. Corporate Political Contributions

To the extent legally permitted and deemed appropriate by the Company's Vice President of Government Affairs, the Company may make corporate political contributions to candidates for state and local offices, parties and other committees operating under Section 527 of the Internal Revenue Code, entities organized under Section 501(c)(4) of the Internal Revenue Code, and in regard to issue or ballot measure campaigns and committees. Any approved corporate political contribution in excess of \$150 per year is voluntarily disclosed on an annual basis on the Company's website. Corporate political contributions in the United States are also reported to, and available at, the appropriate federal and state government agencies. All corporate political contributions are reported to the Nominating and Governance Committee of the Company's Board of Directors by senior management on an annual basis.

Trade Associations and Other Organizations

Like most major U.S. corporations, the Company may indirectly engage in advocacy activities through membership in various trade associations and other organizations that may advocate views on public policy issues. The Company does not always agree with every position adopted by these groups, and reviews its involvement with trade associations and other organizations on an ongoing basis. For any such organization that received at least \$50,000 in payments during the calendar year from the Company, the Company requests that the trade association or other organization identify the portion of the Company's payments, if any, used for non-deductible political purposes as defined under Internal Revenue Code Section 162(e)(1). The Company identifies the trade association or other organization and discloses the non-deductible portion of the Company's payments on the Company's website. That information is updated annually. Beginning in 2013, the Company also will provide this information for tax exempt policy development organizations that write model legislation and update such information annually. Trade association and other organization contributions are reported to the Nominating and Governance Committee of the Company's Board of Directors by senior management on an annual basis.

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April 16, 2011
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