

Yum China Holdings, Inc.

People First - Diversity and Equal Opportunity

Workforce diversity is a critical foundation for a company to realize its vision and values. We strive to foster a professional, inclusive, and non-discriminatory working environment for our employees. We understand, appreciate and encourage diversity and provide equal opportunities for all. Every employee, regardless of their race, religion, color, age, gender or gender identity, disability, military or veteran status, sexual orientation, citizenship, or nationality, can realize personal value on our diversified platform.

According to the Company's Human Rights Policy, we adopt zero tolerance policy for discrimination, train all employees on discrimination and harassment in the workplace and carry out corrective or disciplinary action in case of discriminatory behavior or harassment. (Click the link to access [Yum China Zero Tolerance Anti-Discrimination and Anti-Harassment Policy](#))

The Company strictly implements human rights risk identification every year through self-examination and takes mitigation and corrective measures and makes continuous improvements based on the results of risks assessment and internal audits to ensure risk management. In 2024, no significant human rights risks or cases were found in our offices and 16,000+ restaurants.

OUR GOALS AND COMMITMENTS

Diversity Indicator	Our Target
Share of women in total workforce (as % of total workforce)	50%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	50%
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	50%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as a % of total top management positions)	50%
Share of women in management positions in revenue-generating functions (e.g. sales) as a % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	50%
Share of women in *STEM-related positions (as % of total STEM positions)	20%

*STEM: Science, technology, engineering and mathematics



Breakdown by		Percentage
Gender	Female	67%
	Male	33%
Age	≤ 30 years old	50%
	31-50 years old	45%
	>50 years old	5%
*Nationality	Chinese	99.997%
	American	0.002%
	Italian	0.001%
	Canadian	0.001%

*Yum China operates most of its businesses and restaurants in China.

Hiring

Every year, we hire over a thousand restaurant management trainees and office staff to inject new blood into the organization.

Indicator	FY2024
Total number of new employee hires	1,721
Percentage of open positions filled by internal candidates	83.52%

Breakdown by		Total number of new employee hires	Total number of open positions filled by internal candidates
Gender	Female	753	4,948
	Male	968	3,777
Age	≤ 30 years old	1,415	5,595
	31-40 years old	256	2,495
	41-50 years old	26	617
	>50 years old	24	18
Management level	Junior/low level	1,701	8,635
	Middle level	13	74
	Senior/top level	7	16

Turnover Rate

The turnover rate covers our restaurant general managers (RGMs).



Indicator	FY2024
Total employee turnover rate	9.7%
Voluntary employee turnover rate	8.4%

Breakdown by		Employee turnover rate	Voluntary employee turnover rate
Gender	Female	5.44%	4.81%
	Male	4.26%	3.64%
Age	≤ 30 years old	3.30%	3.09%
	31-40 years old	5.51%	4.86%
	41-50 years old	0.87%	0.50%
	> 50 years old	0.01%	0.00%

*In 2024, we have updated the turnover rate calculation to: the total annual turnover of employees in the category during the reporting period / the average annual number of employees in the category during the reporting period (the average of the total number of employees at the beginning and the end of the reporting period).

Fatalities

We have strict health and safety measures in place to protect our employees in restaurants, especially those who perform work that poses higher or distinct risks. We regularly inspect and upgrade employees' protective equipment, conduct workplace safety review, and train all employees on operational procedures and safety precautions. From 2018 to 2024, the total number of work-related fatalities for employees of Yum China continued to be 0 for seven consecutive years. There was no death of a worker arising from an occupational disease or injury sustained or contracted while performing work that is controlled by the company or that is being performed in workplaces that the company controls.

OHS Programs

- Prioritization and integration of action plans with quantified targets to address those risks:**
 Collect incident reports from each market every month, conduct analysis on incident natures and root causes. For the incidents involving malfunction of facility or equipment, follow-up actions will be taken to identify if it is an isolated case. Vendors will be requested to take improvement actions when necessary.
- Evaluation of progress in reducing/preventing health issues/risks against targets:**
 Review Safety Poster to finalize the topics on an annual basis, in accordance with the incident analysis results. Review incident nature trends and focus on top markets with brand team on a quarterly basis.
- Internal inspections:**
 Safety section is built in regular restaurant audit process, including check of fire extinguisher expiration date and pressure range, etc.



- Procedures to investigate work-related injuries, ill health, diseases and incidents:**

Understand the root causes of the incidents by looking into description of each incident report. Identify the top reasons of each incident category and put the educational contents into Safety Posters.

Training & Development

Yum China always believes in 'People Capability First'. We actively invest in every step in employees' growth, a cornerstone of our sustainable organization development. With our advanced training system, we continue to encourage our employees to realize their potential, ensure their employability and develop innovative talent for the industry. We have established an industry-leading operations talent development system to ensure nearly 100% of the operations positions are filled by promotion from within. Through a fair and transparent career development path, Yum China provides clear guidance and training for employees to fulfil skill requirements at different stages of their careers.

Our Full-Career-Cycle Development System is designed to encourage employees to take a proactive approach in planning their career paths, enhance their employability, and accelerate the development of high-potential talent. The system is aligned with the core competencies required at each career stage and offers highly tailored development programs for employees across all levels. We provide a wide range of learning opportunities, including coaching, mentoring, and project-based group learning that bring together cross-functional teams to learn from one another. Our programs span leadership development, cultural integration, and digital transformation, equipping employees with future-ready skills. Our training system supports both full-time and part-time employees.

We utilize digital technology training approaches to improve restaurant employee training efficiency. For example, KFC new restaurant employees training hours have been reduced by more than 10% with the same training outcome.

Furthermore, we offer transition assistance programs to support employees moving into new phases, such as re-employment after retirement or becoming a franchisee. These programs provide essential assistance, including training and counselling, to facilitate a smooth transition into their next role.

Breakdown by		Average hours per FTE of training and development
Gender	Female	22
	Male	29
Age	<30 years old	32
	30-40 years old	23
	40-50 years old	12
	>50 years old	6
Management	Junior/low level	31



level	Middle level	11
	Senior/top level	10

Performance Management

Employees who fail to comply with the 'Yum China Code of Conduct' may face disciplinary actions, including but not limited to dismissal. Violations of the Code will be considered a breach of the individual labor contract between the employee and Yum China. In addition, violations of the Code are included in the individual performance evaluations and can negatively impact the remuneration of the relevant employees.

The Company conducts individual and team-based performance management appraisals at least quarterly a year based on the different natures of functions. To enhance the management, it publicly shares management objectives, adopts multidimensional performance appraisal, and encourages agile conversations.

The Company's performance appraisal system incorporates agile conversation approach with employees and promotes continuous feedback provided from line manager. This process involves regularly revisiting on objectives and addressing barriers to effective performance.

Flexible Working Hour and Part-time Working Options

Considering the nature of Yum China's business and operation needs, the company offers a flexible working schedule to frontline employees, depending on operation needs, employee duties and availability, to help them better balance their personal and professional lives. Meanwhile, the Company also offers all staff members, including full-time employees, the opportunity to apply for part-time positions to accommodate individual preferences and support a diverse and inclusive work environment.

Family Care Contribution

As a Top Employer, Yum China is committed to providing support and care to employee's family to ease their burden. As part of the company's wellbeing program 'YUMC Care', it provides employees with a series of health initiatives, including sports activities and EAP services such as workplace stress management. For family members, it offers additional medical insurance and accident insurance respectively. In addition, the Company also organizes International Children's Day celebrations and an educational Summer - Camp for employees' children every year.

Parental Leave

The Company grants full-time female employees paid maternity leave in accordance with applicable laws and regulations. At the same time, full-time male employees are entitled to paid paternity leave to actively participate in family caregiving.



Paid Family Care Leave

Employees are provided with paid family care leave beyond parental leave. The specific paid leave arrangements are implemented in accordance with the relevant requirements of the local government policies.

Family Benefits

Indicator	FY2024
Paid parental leave for the primary caregiver (weeks)	67,355
Paid parental leave for the non-primary caregiver (weeks)	2,969
Paid family care leave for the employees (weeks)	746

