

To: U.S. Franchisees

Hello everyone, as the coronavirus situation unfolds, I want to thank you for everything you're already doing to ensure the health and safety of our teams in the restaurants. We know the coronavirus is significantly impacting your business, and appreciate the adjustments you are already making to sustain your operations during a very difficult time. At Yum!, we are watching all of this very closely, thinking ahead and making plans to protect our people and our customers and support you.

I want you to know we're fully with you and that we're going to do everything within our power and the constraints we are all facing to help you and your teams. Last night, I received a call from the White House inviting me to attend a briefing with other restaurant leaders pertaining to the U.S. and the first thing I did was call key franchise leaders at each of our brands and took notes on the things I know are important to you—your team members, keeping your business running smoothly, minimizing losses and support for recovery after all this is over. This morning on the phone, I met with President Trump, U.S. Treasury Secretary Steven Mnuchin and many of our restaurant peers. I was very encouraged by how much the discussion this morning aligned with your interests and Yum!'s. During this unprecedented time, I want to assure you the Administration is interested in continuing to support delivery, carryout and drive-through, which they see as an important way to make food available safely in a social distancing environment. As far as the existing paid leave provisions, the discussion centered around how best to relieve the financial burden for small businesses, and the Administration assured us that the restaurant industry will be an important recipient of proceeds from the proposed \$850 billion stimulus package.

Hearing your thoughts and collaborating with you are essential to moving forward in these tough times. As such, I've established a Global Franchise Health and COVID-19 Support Team to help us navigate business continuity and produce solutions and guidance on the supplier, financial, real estate and legal impacts of the coronavirus across KFC, Pizza Hut and Taco Bell. The U.S. Franchise Advisory Board of this group will be chaired by Mike Kulp of KBP Foods (KFC), Michael Cherney of Grand Mere Restaurant Group (Pizza Hut) and David Paradise of Paradise Foods (Taco Bell). Additionally, given the significant disruption increasing in the U.S., we are deferring all 2020 capital obligations for remodels and new unit development through the end of this year for all U.S. franchisees. These deferrals should help with cash flows to sustain operations including payment and support of your employees, and you should work with your brand teams on the deferral arrangements unique to your situation. We will keep you posted, and look forward to your continued feedback. We are currently working through guidance for our international markets as well and will communicate that separately.

It's times like this we are reminded how interconnected we all are. Coronavirus is making us rethink a lot of things and hold even tighter our family, friends and communities. Together, we can thrive through this crisis. Together, we offer a service many need at this time—affordable food that's easy to access in a low contact environment. Thank you for your continued partnership.

I will be in touch often as we learn more and move through this crisis. Please don't hesitate to reach out to me with your thoughts. I wish you the very best of health, peace and safety.

