



AUSTRALIAN QUICK SERVICE RESTAURANT INDUSTRY INITIATIVE FOR RESPONSIBLE ADVERTISING AND MARKETING TO CHILDREN

Individual Company Action Plan

COMPANY NAME:

Yum! Restaurants Australia Pty Ltd (“Yum!”)

DESCRIPTION OF CORE BUSINESS:

Yum! is the franchisor of the KFC and Pizza Hut brands in Australia. Together with our franchisees, Yum! generates jobs for around 35,000 people and is a significant contributor to the Australian economy.

Yum! is a participant in the Australian Quick Service Industry Initiative for Responsible Advertising and Marketing to Children (the “Initiative”).

STATEMENT OF COMPANY COMMITMENT:

Yum! is committed to setting a high standard for responsible marketing to children. While participating in industry self-regulation is an important component of our commitment, Yum! has set and will measure itself against its own benchmarks, which will meet and in many respects, exceed these standards.

The central pillar of Yum!’s commitment was made over two years ago, when Yum! Australia announced it would not advertise directly to children or during children’s programming. This decision, which came at significant cost to our business, represents a major step in our commitment to ensuring that we support customers to make responsible dietary decisions. Yum!’s focus in making such a decision is to support parental responsibility, which we consider to be the main determinant of children’s dietary needs and nutritional intake.

Other key initiatives which we have implemented, which are consistent with Yum!’s commitment to support responsible dietary choices include:

- Website nutritional information for all KFC and Pizza Hut products
- In-store nutritional information for all KFC and Pizza Hut Products
- On-pack nutritional information on all KFC Products

The other key pillar of Yum!’s responsible branding commitments is the systematic improvement of the nutritional quality of our food, with our focus being on our core menu, which is the food most people eat. To this end we have:



- Introduced a grilled chicken range at KFC called Cayan Grill, at a cost of \$35 million in capital investment and marketing support.
- Committed to a reduction of between 10% and 25% salt on all KFC products in 2010.
- Committed to moving from our current vegetable oil (which has zero trans fats) used at KFC, to a lower-saturated fat oil in 2010.
- Removed skin from all KFC Zinger fillets, thereby reducing total fat content by approximately one third.
- Committed to a reduction of approximately 15% salt on all Pizza Hut products in 2010.

These steps demonstrate Yum!'s determination to lead the way in being a company with huge heart, and putting a Yum! on people's faces with great tasting, fresh food.

CORE PRINCIPLES:

What follows is a statement of how Yum! will meet each of the Core Principles set out in section 4 of the Initiative. Any capitalised terms used in this Action Plan have the meanings given to them in the Initiative, unless otherwise defined.

Advertising and Marketing Messaging

Yum! does not and will not engage in Advertising or Marketing Communications to Children for food and/or beverages.

Popular Personalities and Licensed Characters

Yum! does not and will not use Popular Personalities and Licensed Characters in Advertising and Marketing Communications to Children for food and/or beverage products.

Product Placement

Yum! does not and will not pay for the placement of, or actively seek to place, food and/or beverage products in a program or editorial content of any Medium directed primarily to Children.

Use of Products in Interactive Games

Yum! does not and will not incorporate food and/or beverage products sold at any of its stores or outlets in any interactive game that is primarily directed to Children.

Advertising in Schools

Yum! does not and will not engage in any product-related communications in Australian schools, except where specifically requested by, or agreed with, the school administration, or related to healthy lifestyle activities under the supervision of the school administration or appropriate adults.



Use of Premium Offers

Yum! does not and will not advertise Premium offers in any Medium directed primarily to Children.

On-Pack Nutrition Labelling

- (a) KFC: all KFC packaging printed from April 2009 includes nutritional profile information wherever possible. All KFC Kids Meal packaging printed from April 2010 will include nutritional profile information.
- (b) Pizza Hut: this brand does market any form of 'Kids Meal' equivalent. All Pizza Hut packaging printed from April 2010 will include nutritional profile information wherever possible.

Availability of Nutritional Information

Nutritional information in respect of KFC and Pizza Hut products is available in-store and at www.kfc.com.au and www.pizzahut.com.au respectively.

COMPLIANCE, COMPLAINTS AND MONITORING:

Yum! is committed to all aspects of:

- Key Criteria for Meeting Core Principles;
- Compliance and Complaints;
- Monitoring Implementation of Initiative,

as set out in section 6 of the Initiative and will work with other Participants, nutritional experts, and the AANA to ensure effectiveness.