KFC

FINGER LICKIN'S GOOD FOOD



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FOREWORD



MEG FARREN
General Manager
KFC UK & Ireland

You won't be surprised to learn that at KFC, great tasting chicken matters. Our founder Colonel Harland Sanders learnt to cook from his mother when he was very young, and he believed in serving carefully prepared, balanced meals full of quality ingredients. Today we continue to use our past as inspiration for our future. While we are proud of our heritage, and will continue to provide fried chicken across our menu, you will see us offering freshly prepared balanced options, wholesome sides and updated recipes.

We know what people love about KFC. It is our great quality, totally delicious fried chicken. It's each individual piece hand breaded in the way my grandma might have done. It's the anticipation of that meal that you've been looking forward to all day, and the joy when it is just as good as you remember. That's what we're famous for. But as one of the UK's leading restaurant businesses, we recognise how important it is to offer food that's both finger lickin' and good in other ways.

The ongoing cost of living squeeze is putting extreme pressure on families' household budgets, which can have a detrimental impact on diet quality and health. Against this backdrop, businesses need to be doing the right thing – offering food that is great quality, with fresh, nutritious options, and crucially at great value for customers.

We have a role to play in helping more people – and in particular young people – have access to nutritious, good food; and there is a big opportunity for our current food system to make it easier for young people to live healthier.

We recognise this responsibility and we're doing something about it.

Food that's fast, doesn't have to be junk. We've always looked at how we can improve our menu – not only in terms of taste and quality, but also by gradually improving its nutritional content. And we have made substantial changes over the years.

Have we achieved everything we can? No, we are not yet where we want to be. There is more we can do to contribute to improving nutritional outcomes and you will see what we want to do in this update.

That's why we have decided to disclose our nutrition practices and strategies, through our new annual Nutrition Update. By doing so, we hope we can bring others on this journey with us.

NUTRITION AT KFC

The purpose of this Nutrition Update is to be open and transparent about our food, share where we are at in our nutrition journey, report on our progress and help deliver meaningful improvements.

We're a food business, and everyone has the right to know what goes into their KFC and that we are doing things the right way. This is an important step on this journey – communicating the nutritional progress we've made to date and our aims for the future when it comes to our food.

By listening to the expectations of government and nutrition experts we have identified four pillars of work that we believe will have the most impact on our food and its nutritional value. We will continue to seek the feedback on our nutrition work, that will challenge us to make important progress over the next year and beyond.



done the right way

OUR NUTRITION PILLARS

PILLAR 1 - MENU INNOVATION

We believe in providing a range of products on our menu, offering our customers choice.

When considering what items we have on our menu, we compare against the UK Nutrient Profiling Model 2004/2005 (NPM). This is the model most recognised and reported against by food and retail businesses in the UK. It is also used by government to categorise

nutritional value, and define foods that are high in fat, salt and sugar (HFSS).

We believe this is the most useful model for us to report against, to be easily understandable and comparable externally and to measure the contents of our menu today and track our progress going forward.

PILLAR 2 -Reformulation

Whilst we want to keep offering customers a choice, there are some important changes we can make to the way our products are made and the ingredients they are made from.

Reformulating our products is a key strategy in helping us to do this. Put very simply, we want to try and make our food healthier by improving the nutritional profile of the ingredients we use and reducing things like calories, sugar and salt, without compromising on the great taste and quality that our customers expect.

This process takes time and effort, and we want to bring our customers on the journey with us over time so they understand the changes we are making.

PILLAR 3 – PARTNERSHIPS

We believe bringing in outside, expert perspective is hugely valuable to our work. It is only through innovative partnerships, greater transparency and by learning from those around us, that we can hope to make progress on our nutrition journey.

Credible partnerships with external stakeholders provide us with feedback and

objective scrutiny. We choose our partners for their expertise, experience and honesty.

We want people who are going to challenge us and provide independent feedback on what they want to see us do.

PILLAR 4 -NUTRITION INFORMATION

We want our customers to know what's in their food, so we provide calorie and nutrition information at point of purchase, as well as on all our digital channels.

We are always looking for ways to improve this experience for our customers as they navigate our menus and as we signpost different dietary options.



Nutrient Profiling Technical Guidance, https://www.gov.uk/government/ publications/the-nutrient-profiling-model

INTERNAL GOVERNANCE

Responsibility for our nutrition strategy sits at the most senior level with our UK & Ireland Leadership Team, under our Chief Corporate & Sustainability Officer.

Nutrition forms an integral pillar of KFC's wider sustainability framework. It is governed by our Responsibility Council, a bi-monthly governance forum, which oversees KFC's sustainability strategy. It is the responsibility of the Chief Corporate & Sustainability Officer to update the Leadership Team on progress.

We also have a cross-functional food responsibility team, which includes a company nutritionist, to develop and deliver our nutrition strategy and track progress against our four nutrition pillars.



${\bf Jenny\,Packwood:}\, Chief\, Corporate\, Affairs\, and\, Sustainability\, Officer$

When you pop into your local KFC, or open up your delivery app, you know you are going to get something fresh, great quality and of course Finger Lickin' Good. But we know that, as a staple on the UK high street, we also have a responsibility to be offering nutritious options. We have made huge strides in improving the nutritional content of our menu and today we sell filling, high protein meals, while still offering customers the choice they want. But there is more we can and should do. This report is an important step on our journey to do more and be open about our progress.

Jo Tivers: Head of Food & Quality

Finger Lickin' Good food is what we do at KFC and that's why we are continually inspired by our legacy to be the best we can for our customers. This Nutrition Update shows some of the hard work that has been going on behind the scenes to innovate and transform our menu. So whilst you won't see us removing fried chicken, we will be continually modernising and providing choice for our customers through recipe optimisation, a range of sides and lighter options.

Shaffra Gray-Read: Community and Reputation Lead

We've always put transparency first in everything that we do, and that's why we're really excited to be launching our first ever Nutrition Update – making ourselves accountable and challenging ourselves to work with stakeholders and the industry to do things better. There's a conversation to be had to ensure all businesses are doing the right thing and taking action to positively influence the food choices available to people. Have we done everything we can yet? No. There's more we can do, and that's why we're pleased to be able start reporting against our progress and working in conjunction with partners, as well as government, to play our part.

Jane Lopez: Quality and Nutrition Lead

I'm delighted to be able to share our Nutrition Update. Through this report, we set out the positive progress and journey KFC has made in the nutrition space and our ambitions for the future. I'm passionate about improving the nutritional content of our food at KFC without compromising food quality, taste or safety and am committed to making positive, measurable change.

Rachel Bradford: Nutrition Manager

I'm very proud and excited for the publication of our first ever KFC UK&I Nutrition Update. Our intention behind this work is to highlight where we are today and our ambition of where we want to get to. This work is important to us as we understand that this is just the start of the journey and there is still more great work we can do. The pillars of focus will give us clear routes forward as we continually look to improve our menu and offer choice for our customers.



OUR JOURNEY SO FAR

We have been on a journey to improve the nutrition of our menu in recent years. Some of the important milestones we have hit include:

2017

- 15% sugar reduction from our Krushems and Sundae range by reformulating the dairy base
- 20% salt reduction from our Gravy

2018

- 7% calorie reduction in our fries by moving to a thicker potato fry
- 15% sugar reduction in syrups in our Hot Drinks

To gain a flavour of the impact of these changes - by reformulating our fries, we have been able to remove from our menu...

13BN calories a year!

2021

Removed full sugar
Pepsi in the UK
and increased
our range of
low sugar and
sugar free
beverages

And our shift away from full sugar Pepsi across our restaurants to the lower sugar option, enabled us to remove each year around...

2020

■ First in our QSR category to launch a Vegan Burger



2019

- Introduced a new range of wholesome sides – Rice, Creamy Mash and side Salad
- 15% calorie reduction in our Krushems range
- 12% calorie reduction in our Cookies
- Refreshed our
 Twister Wrap range,
 adding in fresh
 slaw and new
 flavours

2022

- 17% calorie reduction in our buns
- Rolled out calorie information at all points of purchase – since we first published them on our menu boards in 2011
- Partnered with Durham University to identify interventions to positively nudge menu choice behaviours

2023

 Tested tactics to help customers make healthier choices in partnership with
 Bite Back 2030



- Reviewed and reformulated several of our sauces reducing salt, sugar and calories
- Launched the first of our annual Nutrition Update

PILLAR 1 - MENU INNOVATION



OUR APPROACH

- When it comes to making real changes for our customers and providing healthier options, both change and choice are essential.
- Our food team is constantly innovating, exploring new recipes, finding new ways to make nutritional improvements and bringing healthier options to our menus.
- We assess all our products against the 2004/05 Nutrient Profiling Model, which defines which products are considered high in fat, salt and sugar (HFSS).

As we develop new products, we use the NPM definition of products that are HFSS, as well as the work started by Public Health England to set targets for nutritional content for different products, as a guide for our work on product development.



OUR PROGRESS

- Currently 65% of the individual products on our menu are classed as not high in fat, salt or sugar (non-HFSS) and we are working to increase this % year-on-year.
- We now merchandise sugar free soft drinks as the default option for customers when buying on our app, our kiosks or on our website.
- In 2019, we introduced a range of new sides including a side Salad, Rice and Creamy Mash which all provide an alternative to fries.
- In 2021, we included a pineapple stick in our kids' meal, which qualifies as 1 of your 5-a-day.
- We have increased our range to give more balanced choice for everyone, including '600kcal or less' options like Riceboxes, Twister Wraps and Salads.
- We have evolved our drinks offering removing regular, full sugar Pepsi across our restaurants.

CASE STUDY

Removal of full sugar Pepsi from our menu

In 2021 we significantly reduced the amount of sugar and calories we served to our customers by removing any drink that was higher than the UK Government's Soft Drinks Industry Levy threshold. This included full sugar Pepsi. In its place, we increased our range of lower or sugar free beverages, including a delicious Watermelon and Lime Southern refresher. By doing so, we removed over 8 billion calories from our menu in 2020 alone. We made this move to encourage customers towards lower calorie beverages, whilst still providing choice within our soft drink offering.





OUR AMBITION

- By 2025, we want to increase the number of non-HFSS menu items to 70% of the total permanent menu. We will do this through a combination of new menu innovation and reformulation of current menu items.
- By 2025, we want to develop a sales-based target for the amount of HFSS and non-HFSS menu items sold at KFC. We will work with our external partners to shape the metrics of this target.
- By 2025, 75% of selectable items in our Kids Bucket Meal will be non-HFSS.
- We will continue to use the NPM definition of HFSS and the work of Public Health England as a nutritional guide when innovating our menu.

PROVIDING OPTIONS ON OUR MENUS

Providing choice and options for our customers is key.

That's why in 2019, we launched three new sides including Creamy Mash, Rice and side Salad.

	Regular Fries	Regular Creamy Mash	Regular Rice	Regular side Salad
Calories per portion*	270	150	225	65

^{*}figures correct as of July 2023

healthier, higher standards from food companies and KFC recognises the important role it can play. The KFC team has listened to Bite Back's young activists to understand the change they want to see, and test what works in terms of interventions that help make healthier options the easier option. We welcome KFC's commitment to set a healthier sales target in 2025. This should be a catalyst for further business change and drive sales towards healthier options.

James Toop CEO of Bite Back

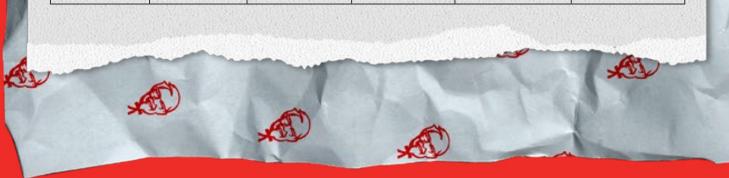


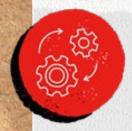


- Providing choice is important to us, but we've also seen first-hand how reformulating our products can help us make nutritional improvements across our menu.
- We've successfully reduced the amount of salt, fat, sugar and calories in our products for many years and will continue to do so. We know there is more we can continue to do to reformulate our menu items.
- We recognise the importance of the work started by Public Health England to improve the nutritional profile of products across our industry by setting targets for individual ingredients and for product categories. Of particular relevance to KFC are the guidelines for calories (PHE Calorie Reduction Guidelines 2024) and salt (PHE Salt Reduction Guidelines 2024). In line with the recommendations in these reports, we are committed to reformulating our products towards these targets.

PHE WORKSTREAM Calories	SCOPE	EXAMPLE PRODUCT	GUIDELINE FOR AVERAGE KCAL PER PORTION	GUIDELINE FOR MAXIMUM KCAL PER PORTION	CURRENT KFC CALORIE CONTENT PER PORTION
Calorie	Main meal,	Fillet burger meal	860kcal	1345kcal	750kcal
Reduction Guidelines 2024 for eating out (average and maximum guidelines per portion kcal)	starter/side dish/ Children's meals	Kids Bucket: Kids Mini Burger, Beans, Drink, Pineapple Stick	630kcal	825kcal	420kcal

PHE WORKSTREAM SALT	SCOPE	EXAMPLE PRODUCT	TARGET FOR AVERAGE SALT G PER PORTION	TARGET FOR MAXIMUM SALT G PER PORTION	CURRENT KFC SALT G PER PORTION
Guidelines 2024 2024 (g of /100g) Salt target for eating takeaway a delivery se	Salt targets for 2024 (g of salt /100g)	Southern Rice	0.43g	0.58g	0.48g
	Salt targets	Regular fries	No average target	1.35g	0.83g
	for eating out, takeaway and delivery sector (g of salt per serving)	Original Recipe Chicken: 2 piece	No average target	3.15g	2.85g





OUR PROGRESS

Whilst we recognise that we still have more to do in this area, we have taken some important steps already. These include:

- We have reformulated our fries, allowing us to remove 13 billion calories a year.
- We have reduced the saturated fat levels in our frying oil by 10%.

Our progress against the PHE Nutrient Targets

CALORIE REDUCTION PROGRAMME

- To date, 100% of our menu falls beneath the PHE guideline for the maximum number of calories per portion for products in the eating out of home categories.
- 77% of our menu items meet the PHE guideline for the average number of calories per portion recommended for products in the eating out of home categories.

SALT REDUCTION PROGRAMME

- 35% of items in scope (e.g. Rice) meet the PHE average salt reduction targets for 2024 and 45% meet the PHE maximum salt reduction target.
- 72% of meals in scope (e.g. burgers) meet the PHE salt reduction targets for dishes for the eating out of home sector.

SUGAR REDUCTION PROGRAMME

- 100% of our soft drinks in the UK are below the Soft Drinks Industry Levy threshold of 5g sugar per 100ml
- 78% of products in scope meet the maximum portion calorie guidelines as outlined in the PHE 20% sugar reduction guidelines.
- 44% of products in scope meet the 10% sugar reduction guidelines whilst 22% of these products meet the PHE 20% sugar reduction guidelines (e.g. Cookies).



OUR AMBITION

■ By 2025, we will increase the percentage of our menu items that meet PHE nutrient guidelines by 10% (respectively) and will report progress against these targets annually.







CASE STUDY

Optimising our oil blend

UK dietary guidelines recommend eating lower levels of saturated fat.

Therefore, in 2011, we stopped frying our chicken in a palm oil blend

and switched to a high oleic sunflower and rapeseed oil blend which lowered the levels of saturated fat in our chicken by 25% and lessened our impact on the environment

We didn't stop at just changing the frying oil blend, we actively moved away from palm oil as an ingredient within our products including buns, tortilla and fries to lower the level of saturated fat across our menu



CASE STUDY

Lighter meal options - Ricebox and Twister

In 2015, we launched our Ricebox for the first time, an alternative meal offering for those seeking something different to a bucket of chicken. Our Ricebox offers one Original Recipe chicken fillet on a bed of spicy rice, fresh lettuce, tomatoes, sweetcorn and bean salsa drizzled with a buttermilk dressing. We launched Ricebox as part of our 500 calorie menu, to sit alongside our Salad Box.

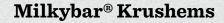
Our Twister wraps are also a great option for lunch, containing our Original Recipe fillet with crunchy pickled slaw and a choice of sauce,

wrapped in a lightly toasted tortilla. All flavour variants are under 550 calories. All these menu items are non-HFSS and meet the PHE average calorie target for a main meal.

Should our customers wish to accompany our twister wraps, there are plenty of menu choices for sides other than fries including side Salad, Corn Cobette, Coleslaw or Creamy Mash, and can be finished off with a low or sugar free drink.







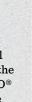
We know that our MILKYBAR® KRUSHEMS are a famous frozen treat, but even so, we aim to review all the products on our menu to see where positive changes are possible.

We have a longstanding partnership with Nestlé Professional and in 2019 together we managed to reduce calories by 25% and sugar by 33% in the final product, whilst maintaining quality and taste for the consumer.

During this work, we had considered the suggested calorie caps under the Public Health England sugar reduction programme as a target. Whilst we moved towards the target on MILKYBAR® KRUSHEMS, we still have some work to do. However, with the launch of the new CHOCOLATE AERO® KRUSHEMS in 2022, we achieved the suggested PHE calorie cap.







PILLAR 3 - PARTNERSHIPS



OUR APPROACH

- Our industry has an important role to play in ensuring that young people have access to the nutritious food they need to grow up healthy. We believe there is an opportunity for our current food system to make this easier for young people. That's why we have a number of youth-focused food partnerships that are bringing together our work on nutrition with our wider work as a business to campaign alongside young people on their priorities.
- Our charitable organisation, the KFC Youth Foundation, has been established to support grass roots organisations that empower young people across the UK to fulfil their potential, and build a positive

- future. Through the KFC Youth Foundation, and our work with a large number of grassroots youth organisations across the UK, we provide programmes that equip young people with food education and skills to help them prepare their own food, whilst also considering nutritional value and budgeting.
- We also actively engage with public and private sector stakeholders and discuss ways of making progress on societal health and well-being challenges. This includes sharing our experience on nutritional improvement and enhancing consumer information with policymakers. We are pleased to be able to contribute to the work of the Government's Food Data Transparency Partnership.
- We are active members of the British Retail Consortium and ISBA, the advertising trade association, and have contributed to their important work on nutrition and reformulation.



OUR PROGRESS

- In 2022, we partnered with the University of Durham to better understand effective behavioural interventions that can nudge customers into choosing healthier options. This allows us to explore how we can change the way our food options are presented to help consumers choose healthier options on our menu.
- In 2022, we joined the The Food Systems Accelerator Programme



run by youth activist movement, **Bite Back**. The programme partners young people with industry to test changes within businesses to make healthy food more desirable, accessible, and affordable. As part of this, we worked with Bite Back's young advocates to develop, and then publicly commit to, a change goal which aims to drive improvements in the health and wellbeing of young people. The focus of our change goal is around lunch and exploring ways to encourage healthier options at this important moment in the day.

In 2023, through the **KFC Youth Foundation**, we provided a food education and soft skills programme to over 50 young people in Middlesbrough, equipping them with valuable skills for the future around nutrition, budgeting, food preparation and cooking. Through this programme, we served 2,000 meals to the local community over

local community over the summer holiday to reduce holiday hunger.



OUR AMBITION

- By 2024, following our partnership with Bite Back and the work towards our change goal, we commit to having completed two intervention trials based on the findings of our behavioural insight research, informed by the work of the University of Durham, and trialled in partnership with Deliveroo.
- In 2024, we will evaluate the outcomes of our Bite Back Accelerator Programme trials and their impact towards our change goal, and if successful, we will implement learnings within our business brand plans. These interventions will help provide
- the evidence needed to set the foundations for future thinking around our lunch options, how we encourage purchase of/shift



customers towards our lighter options, as well as informing longer term change goals for our business.

■ By 2026, through the KFC Youth Foundation, we aim to have provided food education programmes in five cities for 500 young people.

Spotlight on partnership with Bite Back 2030

In 2022, we entered a partnership with Bite Back and were proud to be one of the first companies involved in their Food System Accelerator Programme. This programme saw us partner with Bite Back's young people to identify, develop and deliver impactful solutions to test how we can put healthier food in the spotlight.

Bite Back are an important partner for us, as they place the views of young people at the heart of their work. Through the programme a number of Bite Back's youth campaigners paired with KFC team members in order to challenge us and help us better understand what young people want from their food.

Through this partnership we are proud to say that we have publicly committed to trialling three behavioural interventions which look to showcase and promote our more balanced choices – like Ricebox and Twister wrap – at the crucial lunch time occasion. By incorporating behavioural insights from the University of Durham and critical feedback from the Bite Back Youth Board, we hope these trials will give us the information we need as a business to effectively showcase

and sell our lighter lunch options.

Making balanced, healthy choices around what we eat is something to which we all aspire. Modern behavioural science has provided an in-depth understanding of how, when and in what way we can help people make those informed, healthy decisions - and resist the negative influence of everyday stressors on our ability to do so. Intervention trials that measure the efficacy of different behavioural nudges are critical - they allow us to make datadriven decisions about which approaches work well, or not so well, in any given context. KFC understand this, and their science informed/data driven approach to this endeavour will help them fine-tune the way in which they present their healthier options through multiple channels, and in so doing, enable, enhance and empower their customers' decision-making.

Professor Richard Crisp

PILLAR 4 - NUTRITION INFORMATION



OUR APPROACH

- Maintaining nutritional transparency is really important to us and for our customers, to help them make informed choices. Many people do come to KFC for a treat, but many also come to us for other occasions and want different menu options so need to be able to choose accordingly.
- That's why providing consumers with the information they need when they are choosing from our menu is vital, and we provide nutrition information at every point of purchase, be that in restaurant or online.
- We also help our customers navigate our menu with clear signposting on calorie and allergen information.



OUR PROGRESS

- In 2011, we led the way, as the first quick service restaurant to display calorie information on our menus in all our restaurants.
- Today we provide the calorie content of all our menu, as required by government. Customers can find calorie information at all points of purchase. We also provide
- more detailed nutrition information on our trayliner and website.
- In 2022, we went further, adding a feature to our KFC Delivery app and on our kiosks in restaurant to give customers the ability to calculate total calorie information for their whole meal.



OUR AMBITION

- By 2025 we will develop new features and functionality on all our digital platforms to improve customer experience. This will include filtering against nutrition information, dietary requirements and allergens, as well as providing a nutrition calculator.
- With the University of Durham, we will continue to conduct research to understand how else we can encourage customer
- behaviour change and nudge them towards making healthier choices. We will explore how we can put these findings into practice across our channels.
- We will report our progress against our ambitions under these four strategic pillars through our updates on an annual basis, as part of our commitment to being open and honest about our food.

KFC



FINGER LICKIN' GOOD FOOD

NUTRITION AT KFC