

Yum China inaugurates China's first 100% renewable energy cold chain centre

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Yum China Holdings, Inc. has unveiled a landmark accomplishment in its efforts to reduce greenhouse gas (GHG) emissions. As of July 2023, its company-owned logistics centre in Nanning, Guangxi province is completely powered by renewable energy.

Based on the Company's market assessment, Yum China's Nanning logistics centre stands out as the first cold chain logistics centre in China to fully operate on carbon-neutral power. This achievement aligns with the Company's objective to achieve net-zero value chain GHG emissions by 2050. Furthermore, this shift to green energy operation was achieved without increasing utility costs, further cementing Yum China's leadership in GHG emissions reduction within the restaurant industry in China.

"The inauguration of our fully green-powered logistics centre in Nanning marks a significant milestone in Yum China's sustainability journey," said Joey Wat, CEO of Yum China. "It's a meaningful achievement that emphasizes our responsibility to our planet and showcases what's possible for the future of our industry."

This milestone complements Yum China's ongoing renewable energy transition efforts in its restaurants and supporting facilities. By the end of 2023, Yum China is estimated to have a total annual green power consumption of about 10 million kWh, encompassing logistics centres and restaurants within the Company's operational control. Roughly 70 stores in Zhejiang, Anhui and Shanxi provinces are expected to complete a full transition to green energy in the fourth quarter of 2023. Utilising a diverse range of green power trading models, Yum China is accelerating renewable energy adoption across its restaurants nationwide.

To meet increasing demands for renewable energy in the years to come, Yum China plans to generate its own power from distributed photovoltaics (DPV) while supplementing with green power purchases. By 2025, all newly-built Yum China logistics centres are expected to use solar power generated from rooftop DPVs. Plans are currently underway to install DPVs in the Company's Nanning (Guangxi) logistics centre and in its upcoming Nanxiang (Shanghai) logistics centre. As in-house green energy production capability increases, Yum China is bolstering its energy storage capacity to optimize utilization. The

Company also has been driving low-carbon transformation across its entire value chain through the launch of a Distributed Photovoltaic and Virtual Green Power Purchase Alliance with 40 key suppliers in May 2023.