

YUM CHINA HOLDINGS, INC.

PROCEDURES FOR STOCKHOLDER NOMINATION OF DIRECTORS

The procedures for stockholder nominations of directors to the board of directors (“**Board**”) of Yum China Holdings, Inc. (“**Company**”) pursuant to the advance notice provisions (“**Advance Notice**”) and proxy access provisions (“**Proxy Access**”) of the Company’s Amended and Restated Bylaws (“**Bylaws**”) are summarized as follows:

I. Advance Notice Nominations

— *Eligibility*

- Must be a stockholder of record as of the date of giving the Advance Notice nomination and as of the date of the meeting, and be entitled to vote at the meeting.

— *Timing of Advance Notice*

- A notice to the Secretary of the Company of an Advance Notice nomination must be delivered to or mailed and received at the principal executive offices of the Company:
 - For annual meetings — not more than 120 days and not less than 90 days prior to the anniversary date of the immediately preceding annual meeting, unless the annual meeting is called for a date that is not within 30 days before or after such anniversary date, in which case, the notice of an Advance Notice nomination must be received not later than the close of business on the 10th day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever occurs first.
 - For special meetings called for the purpose of electing directors — not later than the close of business on the 10th day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever occurs first.
- The adjournment or postponement of an annual meeting or special meeting, or the public announcement thereof, will not commence a new time period for the giving of a notice.

- If the Board increased the number of directors to be elected and there is no public announcement by the Company naming all of the nominees for director or specifying the size of the increased Board at least 100 days prior to the first anniversary of the preceding year's annual meeting, then a notice for an Advance Notice nomination for any new positions created by such increase must be delivered no later than 10 days following the day on which the Company publicly announced the increase in the size of the Board.

- *Information Requirement*

- As to the stockholder giving a notice of an Advance Notice nomination and the beneficial owner, if any, on whose behalf the nomination is made, the notice must set forth the information required under Article 2, Section 9(a), (c) and (d) and Article 2, Section 11 of the Bylaws, set forth in Appendix A.
- A notice of an Advance Notice nomination shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and also as of 10 business days prior to the meeting or any adjournment or postponement thereof.
 - The updated and supplemented notice shall be delivered to the Company's Secretary:
 - Not later than five business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date.
 - Not later than eight business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the update and supplement required to be made as of 10 business days prior to the meeting or any adjournment or postponement thereof.

- *Invalid Advance Notice Nomination*

- Advance Notice nominations that are not made in accordance with the foregoing procedures shall be disregarded.

II. Proxy Access

— *Eligibility*

- A stockholder, or group of no more than 20 stockholders must own (as defined in Article 2, Section 10(a)(4) of the Bylaws) 3% or more of the Company's common stock ("**Required Stock**") continuously for three years, as of both the date the notice of Proxy Access nomination is delivered to, or mailed to and received by, the Company's Secretary and the record date for determining the stockholders entitled to vote at the annual meeting, and must continue to own the Required Stock through the meeting date.
- No person may be a member of more than one group of stockholders with respect to any annual meeting for purposes of submitting a Proxy Access nomination.

— *Timing of Proxy Access Notice*

- A notice of Proxy Access nomination must be delivered to, or mailed to and received by, the Company's Secretary no earlier than 150 days and no later than 120 days prior to the anniversary of the date that the Company issued its proxy statement for the immediately preceding annual meeting of stockholders.
- Any adjournment or postponement of an annual meeting, the date of which has been announced by the Company, does not commence a new time period for the giving of a Notice of Proxy Access Nomination.

— *Information Requirement*

- The stockholder(s) must provide the information required under Article 2, Section 10(f) and (g) and Article 2, Section 11 of the Bylaws, set forth in Appendix B.
- Stockholder(s) must promptly notify the Company's Secretary in case any information or communications provided ceases to be true and correct in any material respect or omits a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading.

— *Invalid Proxy Access Nomination*

- The maximum number of nominees nominated by all eligible stockholders that will be included in the Company's proxy materials with respect to an annual meeting of stockholders shall not exceed 20% of the total number of directors in office as of the last day on which a notice of Proxy Access nomination may be delivered, or if such amount is not a whole number, the closest whole number below 20%, as further limited by the provisions of the Bylaws.

- The Company shall not be required to include a Proxy Access nominee in its proxy materials if:
- The Proxy Access nominee was nominated via the Advance Notice provision of the Bylaws.
 - The Proxy Access nominee is not independent under the rules of the New York Stock Exchange (“**NYSE**”), the Hong Kong Stock Exchange, any applicable rules of the Securities and Exchange Commission (the “**SEC**”) and any publicly disclosed standards used by the Board.
 - The election of such a Proxy Access nominee to the Board would cause the Company to be in violation of the Bylaws, the Company’s Amended and Restated Certificate of Incorporation, the NYSE, the Hong Kong Stock Exchange, or any applicable state or federal law, rule or regulation.
 - The Proxy Access nominee is or has been, within the past three years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914.
 - The Proxy Access nominee is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past 10 years.
 - The Proxy Access nominee and the stockholder (or any member of any group of stockholders) making such Proxy Access nomination fails to comply with any of its obligations or breaches any of its representations made under or pursuant to the Bylaws.

III. Stockholder Recommendations

The Nominating and Governance Committee of the Board (the “**Committee**”) considers director candidates recommended by stockholders or other sources in the same manner as nominees identified by the Committee. For a stockholder to submit a candidate for consideration by the Committee, a stockholder must notify the Company’s Corporate Secretary by mail at Yum China Holdings, Inc., 7100 Corporate Drive, Plano, Texas 75024 or at Yum China Holdings, Inc., Yum China Building, 20 Tian Yao Qiao Road, Shanghai 200030, People’s Republic of China.

Appendix A

Information Required

Under Article 2, Section 9(a), (c) and (d) and Section 11 of the Bylaws

As to the stockholder giving the notice (and the beneficial owner, if any, on whose behalf the nomination is made), the notice must set forth:

- Name and address of such stockholder, as they appear on the Company's books, or of such beneficial owner, if any, and of their respective affiliates or associates or others with whom they are acting in concert.
- Class and number of shares of the Company which are, directly or indirectly, owned beneficially and of record by such stockholder, such beneficial owner, and any of their respective affiliates or associates or others with whom they are acting in concert.
- Any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Company or with a value derived in whole or in part from the value of any class or series of shares of capital stock of the Company, or any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of capital stock of the Company, or any contract, derivative, swap, or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of capital stock of the Company, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of capital stock of the Company, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of capital stock of the Company, through the delivery of cash or other property, or otherwise, and without regard to whether the stockholder of record, the beneficial owner, if any, or any of their respective affiliates or associates or others acting in concert therewith, may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of capital stock of the Company (any of the foregoing, a "**Derivative Instrument**") directly or indirectly owned beneficially by such stockholder, the beneficial owner, if any, or any of their respective affiliates or associates or others with whom they are acting in concert.
- Any proxy, contract, arrangement, understanding, or relationship pursuant to which such stockholder, such beneficial owner, or any of their respective affiliates or associates or others with whom they are acting in concert, have any right to vote any class or series of shares of the Company.

- Any agreement, arrangement, understanding, relationship or otherwise, including, without limitation, any repurchase or similar so-called “stock borrowing” agreement or arrangement, involving such stockholder, such beneficial owner, or any of their respective affiliates or associates or others with whom they are acting in concert, directly or indirectly, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Company by, manage the risk of share price changes for, or increase or decrease the voting power of, such stockholder, such beneficial owner or any of their respective affiliates or associates or others with whom they are acting in concert respect to any class or series of the shares of the Company, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares of the Company (any of the foregoing, a “**Short Interest**”).
- Any rights to dividends on the shares of the Company owned beneficially by such stockholder, such beneficial owner or any of their respective affiliates or associates or others with whom they are acting in concert that are separated or separable from the underlying shares of the Company.
- Any proportionate interest in shares of the Company or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder, such beneficial owner or any of their respective affiliates or associates or others with whom they are acting in concert is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership.
- Any performance-related fees (other than an asset-based fee) that such stockholder, such beneficial owner, or any of their respective affiliates or associates or others with whom they are acting in concert are entitled to based on any increase or decrease in the value of shares of capital stock of the Company or Derivative Instruments, if any, including, without limitation, any such interests held by any members of the immediate family sharing the same household of such stockholder, such beneficial owner or any of their respective affiliates or associates or others with whom they are acting in concert.
- Any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Company held by such stockholder, such beneficial owner or any of their respective affiliates or associates or others with whom they are acting in concert.
- Any direct or indirect interest of such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith in any contract with the Company, any affiliate of the Company, or any principal competitor of the Company (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement).
- All information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if such a statement were required to be filed under the Securities Exchange Act of 1934 (“**Exchange Act**”) by such stockholder, such beneficial owner or any of their respective affiliates or associates or others with whom they are acting in concert, if any.

- Any other information relating to such stockholder, such beneficial owner, or any of their respective affiliates or associates or others acting in concert therewith, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act.
- As to the nominee, the notice must set forth:
 - All information relating to such individual that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act (including, without limitation, a written consent to being named in the proxy statement as a nominee and to serving as a director if elected).
 - A description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such stockholder and beneficial owner, if any, or any of their respective affiliates and associates¹ or others with whom they are acting in concert, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others with whom they are acting in concert, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act of 1933, as amended (“**Securities Act**”), if the stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person with whom they are acting in concert, were the “registrant” for purposes of such item and the nominee were a director or executive officer of such registrant.
 - A completed and signed questionnaire (in the form provided by the Company’s Secretary upon written request) with respect to the background and qualification of the nominee and the background of any other person on whose behalf, directly or indirectly, the nomination is being made.
 - A signed written representation and agreement (in the form provided by the Company’s Secretary upon written request) that the nominee:
 - Is not and will not become a party to (i) any agreement, arrangement, or understanding with, and has not given any commitment or assurance to, any person as to how such person, if elected as a director, will act or vote on any issue or question (“**Voting Commitment**”) that has not been disclosed to the Company, and (ii) any Voting Commitment that could limit or interfere with such individual’s ability to comply, if elected as a director, with such individual’s fiduciary duties under applicable law.

¹ “Affiliate” and “associate” shall have the meanings ascribed thereto in Rule 405 under the Securities Act, and the rules and regulations thereunder; provided, however, that the term “partner” as used in the definition of “associate” shall not include any limited partner that is not involved in the management of the relevant partnership.

- In connection with such nominee's candidacy for, or services as director, is not and will not become a party to any compensatory, payment, or other financial agreement, arrangement, or understanding with any person other than the Company, and has not and will not receive any such compensation or other payment from any person other than the Company.
 - In such individual's personal capacity and on behalf of any person on whose behalf, directly or indirectly, the nomination is being made, would be in compliance, if elected as a director, and will comply, with all applicable corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Company publicly disclosed from time to time.
 - Consents to being named as a nominee and agrees to serve if elected as a director.
 - Will abide by the requirements of Section 8 of Article 4 (regarding the requirement to tender resignation under certain circumstances).
- Such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such nominee.

Appendix B

Information Required

Article 2, Section 10(f) and (g) and Section 11 of the Bylaws

The stockholder or stockholder group submitting a notice of a Proxy Access nomination must provide the following materials in writing to the Secretary of the Company:

- One or more written statements from the record holder of the shares of common stock owned by such stockholder (and from each intermediary through which such shares were held through the required period) verifying that, as of a date within seven calendar days prior to the date the notice of Proxy Access nomination is delivered to, or mailed to and received by, the Company's Secretary, such stockholder owns, and has owned continuously for the required period, the required percentage of shares of common stock ("**Required Stock**"), and an agreement to provide, within five business days after the record date for the annual meeting, written statements from the record holder and intermediaries verifying the continuous ownership of the required percentage of shares of common stock through the record date.
- A copy of the Schedule 14N that has been filed with the SEC as required by Rule 14a-18 under the Exchange Act.
- The information, representations, and agreements that are the same as those that would be required to be set forth in a stockholder's notice of nomination pursuant to the Company's advance notice provision.
- A representation and agreement of stockholder (or stockholder group, as appropriate) that such stockholder (or each member of the stockholder group):
 - Acquired the Required Stock in the ordinary course of business and not with the intent to change or influence control of the Company, and does not presently have such intent.
 - Presently intends to maintain qualifying ownership of the Required Stock through the date of the annual meeting.
 - Has not engaged and will not engage in any, and has not and will not be a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the annual meeting other than its Proxy Access nominee(s).
 - Agrees not to distribute to any stockholder any form of proxy for the annual meeting other than the form distributed by the Company.
 - Agrees to comply with all applicable laws and regulations applicable to the use, if any, of soliciting material and to file any such soliciting material with the SEC regardless of whether such filing is required under Regulation 14A under the Exchange Act.

- Will provide facts and other information in all communications with the Company and its stockholders that are or will be true and correct in all material respects, and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.
- A representation as to the stockholder’s (or each of the members of the stockholder group’s) intentions with respect to maintaining qualifying ownership of the Required Stock for at least one (1) year following the annual meeting.
- An undertaking that the stockholder agrees to:
- Assume all liability stemming from any legal or regulatory violation arising out of such stockholder’s communications with the other stockholders of the Company or out of the information that such provided to the Company.
 - Indemnify and hold harmless the Company and each of its directors, officers and employees individually against any and all liabilities, losses and damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Company or any of its directors, officers or employees arising out of any Proxy Access nomination submitted by such stockholder.
- A written representation and agreement of the Proxy Access nominee that such person:
- Consents to being named in the Company’s proxy statement as a nominee and to serving as a director if elected.
 - Understands his or her duties as a director under the General Corporation Law of the State of Delaware (“**DGCL**”) and agrees to act in accordance with those duties while serving as a director.
 - Is not and will not become a party to any agreement, arrangement, or understanding with, and has not given any commitment or assurance to, any person as to how such nominee, if elected as a director, will act or vote as a director on any issue or question to be decided by the Board of directors.
 - In connection with such Proxy Access nominee’s candidacy for director, is not and will not become a party to any compensatory, payment, or other financial agreement, arrangement, or understanding with any person other than the Company, and has not and will not receive any such compensation or other payment from any person other than the Company, in each case that has not been disclosed to the Secretary of the Company.
 - In connection with such nominee’s service as a director of the Company, is not and will not become a party to any compensatory, payment, or other financial agreement, arrangement, or understanding with any person other than the Company, and has not and will not receive any such compensation or other payment from any person other than the Company.

- If elected as a director, will comply with all applicable laws and stock exchange listing standards and the Company’s policies and guidelines applicable to directors.
 - Will provide facts and other information in all communications with the Company and its stockholders that are or will be true and correct in all material respects, and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.
- With respect to each Proxy Access nominee, all completed and signed questionnaires required of directors, and such additional information as the Company may determine necessary to permit the Board to determine if such Proxy Access nominee is independent under the listing standards of each exchange upon which the Common Stock of the Company is listed, any applicable rules of the SEC and any publicly disclosed standards used by the Board in determining and disclosing the independence of directors.
 - With respect to each Proxy Access nominee who consents to stand for election, an irrevocable resignation of such Proxy Access nominee in advance of the meeting for the election of directors, providing that such resignation shall become effective upon a determination by the Board or any committee thereof that (A) the information provided to the Company by such individual pursuant to the Proxy Access provisions of the Bylaws was untrue in any material respect or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading or (B) such individual, or stockholder who nominated such individual, failed to comply with any obligation owed or breached any representation made under or pursuant to these Bylaws.
 - A completed and signed questionnaire (in the form provided by the Company’s Secretary upon written request) with respect to the background and qualification of the Proxy Access nominee and the background of any other person on whose behalf, directly or indirectly, the nomination is being made.
 - A signed written representation and agreement (in the form provided by the Company’s Secretary upon written request) that the Proxy Access nominee:
 - Is not and will not become a party to (i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person as to how such person, if elected as a director, will act or vote on any issue or question (a “**Voting Commitment**”) that has not been disclosed to the Company, and (ii) any Voting Commitment that could limit or interfere with such individual’s ability to comply, if elected as a director, with such individual’s fiduciary duties under applicable law.
 - In connection with such Proxy Access nominee’s candidacy for, or services as director, is not and will not become a party to any compensatory, payment or other financial agreement, arrangement or understanding with any person other than the Company, and has not and will not receive any such compensation or other payment from any person other than the Company.

- In such individual's personal capacity and on behalf of any person on whose behalf, directly or indirectly, the nomination is being made, would be in compliance, if elected as a director, and will comply, with all applicable corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Company publicly disclosed from time to time.
- Consents to being named as a Proxy Access nominee and agrees to serve if elected as a director.
- Will abide by the requirements of Section 8 of Article 4 (regarding the requirement to tender resignation under certain circumstances).