

YUM! BRANDS, INC.
Compensation Committee Charter

(as Amended and Restated effective January 27, 2004)

A. Name

There shall be a committee of the Board which shall be called the Compensation Committee.

B. Purpose

The Compensation Committee shall discharge responsibilities relating to the compensation of the Company's executives with a view to insuring that the Company continues to attract and retain highly qualified management, through competitive salary and benefit programs, and encouraging extraordinary effort through incentive awards.

C. Committee Membership and Procedure

The Compensation Committee shall consist of no fewer than three members. Each member of the Compensation Committee shall satisfy the independence requirements of the New York Stock Exchange and, if deemed appropriate by the Board from time to time, meet the definition of "non-employee director" under Rule 16b-3 under the Securities Exchange Act of 1934, and "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986. The Board shall appoint the members of the Compensation Committee considering the views of the Chairman of the Board and the Chief Executive Officer, as appropriate. The members of the Compensation Committee shall serve until their successors are appointed and qualify. The Board shall designate the Chairman of the Compensation Committee. The Board shall have the power at any time to change the membership of the Compensation Committee and to fill vacancies in it, subject to such new member(s) satisfying the above requirements. Except as expressly provided in this Charter, the by-laws of the Company or the Corporate Governance Principles of the Company, the Compensation Committee shall fix its own rules of procedure. The Compensation Committee may form and delegate authority to subcommittees when it determines it to be appropriate.

D. Committee Authority and Responsibilities

The Compensation Committee shall:

- Review and submit to the Board recommendations concerning the Company's compensation philosophy and its determination regarding the overall soundness of the Company's compensation and benefits programs.
- Appraise the performance of the chief executive officer of the Company (the "CEO") and other members of senior management.
- Review and approve the corporate goals and objectives relevant to the CEO's and other executive's compensation, evaluate the CEO's and other executive's performance in light of those goals and objectives, and, either as a committee or (if directed by the Board of Directors) together with the other

independent directors, determine and approve the CEO's and other executive's compensation level based on this evaluation.

- In determining the long-term incentive component of CEO compensation, consider the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the CEO in past years.
- Make recommendations to the Board with respect to new, and material changes to existing, compensation plans and arrangements, including incentive compensation plans and equity-based plans.
- Adopt, approve and ratify, subject to permitted delegation to a senior officer, awards under incentive compensation plans and stock plans, including the Company's Long Term Incentive Plan and Executive Incentive Compensation Plans and including amendments to the awards made under any such plans, review and monitor awards under such plans and administer (or delegate to other persons responsibilities to administer) awards under any such plans.
- Establish any applicable performance goals for participants in the Company's incentive compensation plans.
- Review periodically compensation of directors and recommend changes to the Board.
- Consistent with applicable law, create policies to delegate permitted compensation decisions to authorized officers.
- Establish, and periodically review, the Company's policies regarding management perquisites.
- Establish and administer any stock ownership policies applicable to the Company's directors and executives.
- Approve adoption or elimination of, or amendments to, qualified retirement plans.
- Oversee the production of and approve a compensation committee report on executive compensation as required by the Securities and Exchange Commission (the "SEC") to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC.
- Review management succession planning within the Company and make recommendations to the Board.
- Have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation, have the sole authority to approve the consultant's fees and other retention terms and have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

- Recommend to the Board appointments to officer titles or dismissal at the level of vice chairman and above, approve appointments to officer titles or dismissal of officers with titles of executive officer and approve creation of officer titles which are not otherwise listed in the Bylaws above or equivalent to the level of executive officer.
- Make regular reports to the Board.
- Review and reassess the adequacy of this Charter from time to time and recommend any proposed changes to the Board for approval.
- Annually evaluate its own performance.
- Meet periodically by itself in separate executive sessions in furtherance of its purposes.