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FERNANDEZ ANDRES
Form SC 13D
October 19, 2007

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934

American Ammunition Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

023826 10 0

(CUSIP Number)

American Ammunition, Inc.
3545 NW 71st Street
Miami, FL 33147
Phone Number: (305) 835-7400

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

October 3, 2007

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (However, see the Notes).

CUSIP No. 023826 10 0

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1) Names of Reporting Persons/ I.R.S. Identification Nos. of Above Persons (entities only):

Andres F. Fernandez

2) Check the Appropriate Box if a Member of a Group (See Instructions)

(a) Not Applicable
(b)

3) SEC Use Only

4) Sources of Funds (See Instructions): Not Applicable

5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) Not Applicable

6) Citizenship or Place of Organization: U.S.

Number of Shares Beneficially Owned by Each Reporting Person With	(7)	Sole Voting Power:	4,277,932
	(8)	Shared Voting Power	-0-
	(9)	Sole Dispositive Power:	4,277,932
	(10)	Shared Dispositive Power	-0-

11) Aggregate Amount Beneficially Owned by Each Reporting Person:

4,277,932

12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) Not Applicable

13) Percent of Class Represented by Amount in Row (11):

8.84%

14) Type of Reporting Person (See Instructions): IN

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Item 1. Security and Issuer

American Ammunition Inc.

Item 2. Identity and Background

- (a) Name - Andres F. Fernandez
- (b) Residence or business address - 3545 N.W. 71 Street Miami, Florida 33147
- (c) Present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted - President/Chief Executive Officer of Issuer
- (d) Whether or not, during the last five years, such person has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) and, if so, give the dates, nature of conviction, name and location of court, and penalty imposed, or other disposition of the case - During the last five years, Mr. Fernandez has not been convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors).
- (e) Whether or not, during the last five years, such person was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws; and, if so, identify and describe such proceedings and summarize the terms of such judgment, decree or final order - During the last five years Mr. Fernandez has not been a party to a civil proceeding that resulted in a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws, or a finding of any violation with respect to such laws.
- (f) Citizenship - United States

Item 3. Source and Amount of Funds or Other Consideration

4,000,000 shares of the Issuer's common stock were issued to Andres F. Fernandez in exchange for services rendered to the Issuer.

Item 4. Purpose of Transaction

Compensation for Services

Item 5. Interest in Securities of the Issuer

- (a) State the aggregate number and percentage of the class of securities identified pursuant to Item 1 - 4,277,932 - 8.84%
- (b) 4,277,932

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(c) Describe any transactions in the class of securities reported on that were effected during the past sixty days or since the most recent filing of Schedule 13D (ss.240.13d-191), whichever is less, by the persons named in response to paragraph (a). Instruction. The description of a transaction required by Item 5(c) shall include, but not necessarily be limited to: (1) the identity of the person covered by Item 5(c) who effected the transaction; (2) the date of the transaction; (3) the amount of securities involved; (4) the price per share or unit; and (5) where and how the transaction was effected.

On October 3, 2007 the Board of Directors of the Issuer approved the issuance of 4,000,000 shares of its restricted common stock to Andres F. Fernandez who is the an officer and director of the Issuer in exchange for services rendered to the Issuer.

Item 6. Contracts, Arrangements, Understandings or Relationships with respect to the Securities of the Issuer.

Not Applicable

Item 7. Material to be Filed as Exhibits.

Not Applicable

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

October 16, 2007

Date

/s/ Andres F. Fernandez

Signature

Andres F. Fernandez, President,
Chief Executive Officer and Director

Name/Title

rectors with a dining benefit as we believe it is important for directors to experience our restaurants and those of our competitors in order to better perform their duties for the Company. The Company also provided certain nominal perquisites such as theater tickets to its directors in connection with one Board meeting held in New York City. No amounts for these dining and other nominal perquisites such as theater tickets appeared in the Director Compensation Table for any director except Mr. Barnes because the aggregate value for each director did not meet the minimum \$10,000 disclosure requirement. For Mr. Barnes, the amount included in the table for these dining and other nominal perquisites was \$10,606.

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Popularly known as Connie Mack, III, Senator Mack files Section 16 reports (Forms 3, 4 and 5) under his legal name of Cornelius McGillicuddy, III.

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STOCK OWNERSHIP OF MANAGEMENT

This table shows the beneficial ownership of our common shares, and information concerning deferred phantom stock units, restricted stock units and PSUs, as of May 25, 2014, by our directors, director nominees, executive officers named in the Summary Compensation Table and all of our directors and executive officers as a group. Under applicable SEC rules, the definition of beneficial ownership for purposes of this table includes shares over which a person has sole or shared voting power, or sole or shared power to invest or dispose of the shares, whether or not a person has any economic interest in the shares, and also includes shares for which the person has the right to acquire beneficial ownership within 60 days of May 25, 2014. Except as otherwise indicated, a person has sole voting and investment power with respect to the common shares beneficially owned by that person.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership of Common Shares(1)	Phantom Stock Units and Performance Stock Units(2)	Common Shares Beneficially Owned as Percent of Common Shares Outstanding(3)
Michael W. Barnes	4,732	—	*
Leonard L. Berry	44,369	—	*
Christopher J. Fraleigh	29,788	—	*
Victoria D. Harker	11,620	—	*
David H. Hughes	97,410	(4) —	*
Charles A. Ledsinger, Jr.	81,085	6,356	*
Eugene I. Lee, Jr.	280,832	30,873	*
William M. Lewis, Jr.	124,263	—	*
Kim A. Lopdrup	348,355	29,155	*
Senator Connie Mack, III (5)	35,467	—	*
Andrew H. Madsen	743,602	(4) 55,257	*
Clarence Otis, Jr.	1,483,658	(4) 161,796	1.11%
David T. Pickens	416,492	27,843	*
C. Bradford Richmond	260,488	27,434	*
Michael D. Rose	160,171	(4) —	*
Maria A. Sastre	50,444	—	*
William S. Simon	4,732	—	*
All directors and executive officers as a group (24 persons)	4,222,646		3.10%

* Less than one percent.

Includes common shares subject to stock options exercisable within 60 days of May 25, 2014, as follows:

Dr. Berry, 12,000 shares; Mr. Hughes, 14,254 shares; Mr. Ledsinger, 50,990 shares; Mr. Lee, 219,639 shares; (1) Mr. Lewis, 46,894 shares; Mr. Lopdrup, 311,319 shares; Senator Mack, 9,000 shares; Mr. Madsen, 617,088 shares; Mr. Otis, 1,138,106 shares; Mr. Pickens, 353,609 shares; Mr. Richmond, 226,668 shares; Mr. Rose, 62,744 shares; Ms. Sastre, 15,274 shares; and all directors and executive officers as a group, 3,118,703 shares.

Includes common shares held by the trustee of the Darden Savings Plan in the Employee Stock Ownership Plan for the accounts of our executive officers, with respect to which the officers have sole voting power and sole investment power, as follows: Mr. Pickens, 748 shares and all directors and executive officers as a group, 1,542 shares.

Includes restricted stock awarded under our Management and Professional Incentive Plan (“MIP”) as of May 25, 2014, with respect to which the officers have sole voting power but no investment power, as follows: Mr. Lopdrup, 6,376 shares; Mr. Madsen, 13,535 shares; Mr. Otis, 16,460 shares; Mr. Pickens, 6,333 shares; Mr. Richmond, 1,813 shares; and all directors and executive officers as a group, 42,185 shares.

Includes deferred phantom stock units allocated to the Darden stock fund under our Director Compensation Program for the accounts of the following non-employee directors, which are settled in stock, with respect to which the individuals have no voting or investment power, as follows: Mr. Fraleigh, 4,654 units; Mr. Hughes, 5,344 units; Mr. Ledsinger, 28,590

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units; Mr. Lewis, 24,137 units; Senator Mack, 888 units; Mr. Rose, 38,096 units; Ms. Sastre, 10,254 units; and all directors and executive officers as a group, 111,963 units.

Includes restricted stock units awarded prior to 2001 under the Director Compensation Program, which vest upon the Director's retirement from the Board and are settled in stock, with respect to which the individuals have no voting or investment power, as follows: Mr. Hughes, 5,816 units; Mr. Rose, 23,427 units; Ms. Sastre, 3,895 units; and all directors and executive officers as a group, 33,138 units.

(2) Includes deferred phantom stock units allocated to the Darden stock fund in a non-qualified deferred compensation arrangement, which are settled in cash, with respect to which the individuals have no voting or investment power, as follows: Mr. Ledsinger, 6,356 units; Mr. Madsen, 92 units; Mr. Otis, 48,600 units; Mr. Pickens, 7 units; and all directors and executive officers as a group, 54,963 units.

Includes PSUs awarded under our MIP as of May 25, 2014, with respect to which officers have no voting or investment power, as follows: Mr. Lee, 30,873 units; Mr. Lopdrup, 29,155 units; Mr. Madsen, 55,165 units; Mr. Otis, 113,196 units; Mr. Pickens, 27,836 units; Mr. Richmond, 27,434 units; and all directors and executive officers as a group, 354,092 units.

(3) For any individual or group, the percentages are calculated by dividing (a) the number of shares beneficially owned by that individual or group, which includes shares underlying options exercisable within 60 days, and the phantom stock units and restricted stock units settled in stock described in footnote 1 above, by (b) the sum of (i) the number of shares outstanding on May 25, 2014, plus (ii) the number of shares underlying options exercisable within 60 days and phantom stock units and restricted stock units described in footnote 1 above held by just that individual or group. This calculation does not include phantom stock units settled in cash or PSUs described in footnote 2 above.

(4) Includes shares held in a trust for the following: Mr. Hughes, 7,500 shares; Mr. Madsen, 110,100 shares; Mr. Otis, 95,000 shares; and Mr. Rose, 18,130 shares.

(5) Popularly known as Connie Mack, III, Senator Mack files Section 16 reports (Forms 3, 4 and 5) under his legal name of Cornelius McGillicuddy, III.

STOCK OWNERSHIP OF PRINCIPAL SHAREHOLDERS

This table shows all shareholders that we know to beneficially own more than five percent of our outstanding common shares as of May 25, 2014. As indicated in the footnotes, we have based this information on reports filed by these shareholders with us and with the SEC.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Percent of Class(2)
Capital Research Global Investors 333 South Hope Street Los Angeles, CA 90071	14,419,500	(3) 10.90%
Starboard Value LP 830 Third Avenue, 3rd Floor New York, NY 10022	10,672,386	(4) 8.10%
BlackRock, Inc. 40 East 52nd Street	9,722,684	(5) 7.35%

New York, NY 10022
The Vanguard Group, Inc.
100 Vanguard Blvd.
Malvern, PA 19355

8,724,152

(6) 6.59%

- “Beneficial ownership” is defined under the SEC rules to mean more than ownership in the usual sense. Under applicable rules, you beneficially own our common shares not only if you hold them directly but also if you
- (1) indirectly (such as through a relationship, a position as a director or trustee, or a contract or understanding) have or share the power to vote, sell or acquire them within 60 days.
 - (2) The figure reported is a percentage of the total of 132,314,493 common shares outstanding on May 25, 2014, excluding treasury shares.

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(3) Based on a Schedule 13G/A filed February 13, 2014, as of December 31, 2013, Capital Research Global Investors beneficially owned an aggregate of 14,419,500 shares, and had sole power to vote and dispose of all those shares.

Based on the preliminary proxy statement filed on Schedule 14A filed July 29, 2014, as of July 29, 2014, Starboard (4) Value LP and its affiliates beneficially owned an aggregate of 10,672,386 shares, and had sole power to vote and dispose of all those shares.

Based on a Schedule 13G/A filed January 28, 2014, as of December 31, 2013, BlackRock, Inc. beneficially owned (5) an aggregate of 9,722,684 shares, and had sole power to vote 8,574,421 shares and sole dispositive power over 9,722,684 shares.

Based on a Schedule 13G/A filed February 12, 2014, as of December 31, 2013, The Vanguard Group, Inc. (6) beneficially owned an aggregate of 8,724,152 shares, and had sole power to vote 210,224 shares, sole dispositive power over 8,527,728 shares, and shared dispositive power over 196,424 shares.

COMPENSATION DISCUSSION AND ANALYSIS

Overview

Darden's executive compensation decisions consider shareholder feedback and reflect the Company's commitment to pay for performance. Our leaders are focused on creating value for Darden shareholders and our executive compensation programs and decisions provide a strong alignment of the interests of the Company's leaders with those of our shareholders.

2014 Strategic Results

2014 was a year of strategic importance with decisive action in several areas to ensure a sound operational and financial foundation that supports consistent earnings and free cash flow growth, as well as consistent return of capital to shareholders. This action included:

Priorities for Value Creation	Progress Made
Separate Red Lobster through a spin-off or sale to enhance focus and optimize brand portfolio for future success.	Red Lobster sold for \$2.1 billion to Golden Gate Capital
Execute Olive Garden Brand Renaissance	Dinner menu refreshed and new lunch menu rolled out, operations simplified, food and beverage quality improved, communication platform updated to enhance brand relevance, new remodel prototype completed 34 units added for a total of 464 units, continued to outperform the industry on same-restaurant sales in fiscal 2014 and elevated quality and broadened relevance for more occasions
Develop LongHorn into America's favorite steakhouse	27 units added for a total of 196 units and achieved \$1.2 billion in sales in Fiscal 2014, an increase of \$249 million vs. Fiscal 2013
Grow Specialty Restaurant Group total sales by more than \$1.0 billion over the next 5 years	
Further optimize operating support and direct operating costs in response to shareholder feedback	Significant cost savings to date and plan to further reduce general and administrative expenses as a percentage of sales
Better align management compensation	

Disciplined capital allocation, reflected in reduced new unit growth and commitment to halt acquisitions	Implemented changes to short- and long-term incentive programs that more directly emphasize same-restaurant sales, free cash flow and relative total shareholder return Capital expenditure, including Red Lobster, reduced by approximately \$120 million vs Fiscal 2013; dividend maintained and share repurchase to be restarted
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Key Leadership Changes

We also had several key leadership changes in fiscal 2014 and 2015. The Company's focus on executive succession and talent development facilitated a smooth transition to a new leadership team. Clarence Otis, Jr., our Chairman and CEO, stepped down from his position as Chairman, effective July 28, 2014, but continues in his position as CEO until the earlier of the appointment of his successor or December 31, 2014. Mr. Otis has led the Company since 2004, seeing the Company grow to eight brands with revenues in excess of \$8.7 billion. Mr. Otis's leadership enabled us to acquire several distinguished brands including The Capital Grille, LongHorn Steakhouse, Yard House and Eddie V's. During Mr. Otis's tenure as CEO, the Company grew to more than 2,200 restaurants, earnings per share doubled and we were named one of Fortune's 100 Best Places to Work for four consecutive years.

On September 20, 2013, Andrew H. Madsen stepped down as President and Chief Operating Officer (COO). Mr. Madsen had been an integral part of our leadership team since joining the Company as Executive Vice President of Marketing for Olive Garden in 1998.

In September 2013, Eugene I. Lee, Jr., assumed the role of COO for Darden, including leadership of both Operations and Marketing across our portfolio of brands. Mr. Lee had served as President, Specialty Restaurant Group, until assuming the role of COO for Darden. Mr. Lee has more than thirty years of restaurant industry experience and is the right leader to reinforce our focus on ensuring that the in-restaurant experiences we provide evolve appropriately in response to the changing needs and desires of our guests.

David T. Pickens, our Chief Restaurant Operations Officer (CROO), departed at the end of our 2014 fiscal year. Mr. Pickens held many leadership positions during his 41 years with the Company, including President of Olive Garden for six years before returning to Red Lobster, where he began his career, to serve as President, Red Lobster, for two years prior to assuming the CROO position.

Responded to Shareholder Feedback on Executive Compensation

We continued to solicit feedback from investors on our Total Rewards Program, which contains the components for our executive compensation arrangements. During fiscal 2014, we met with a diverse mix of our institutional shareholders to discuss our Total Rewards Program for executives. Based on that dialogue and our evaluation of the Program, we are providing additional information to more fully explain how we drive strong alignment between pay and performance. In addition, we are making program enhancements for fiscal 2015 that reflect investor feedback, as well as best practice information and input from the Center on Executive Compensation and the Committee's independent consultant, Towers Watson. To better differentiate the performance metrics of our short- and long-term incentive programs, beginning with fiscal 2015:

"Same-restaurant sales" will replace "total sales growth" in our annual Management and Professional Incentive Plan (MIP) bonus program. Same-restaurant sales is a year-over-year comparison of each period's sales volumes for restaurants open at least 16 months, including recently acquired restaurants, regardless of when the restaurants were acquired. Same-restaurant sales growth is a key one-year indicator of performance in our industry (and does not take into account the sales from new restaurants opened during the fiscal year).

Free cash flow will be used in our long-term incentive program (our Performance Stock Unit (PSU) program), replacing earnings per share, which is a measure in our MIP. Free cash flow is defined as operating cash flow less capital expenditures and is increasingly important given the consumer demand and competitive dynamics of our industry, which are consistent with the increasing maturation of the industry.

Our PSU program will include a relative measure based on Darden's Total Shareholder Return (TSR) compared to the TSR of the Standard & Poor's 500 index over each three-year performance period. Previously, there was no component that specifically took into account our relative performance.

Darden Annual Bonus MIP Goals

Current for Fiscal 2014

Fiscal 2015

Performance Measures	Total Sales Growth EPS (Operating Profit for Business Units and Brands)	Same-restaurant Sales Growth EPS (Operating Profit for Business Units and Brands)
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Darden Long-Term Incentive (PSU) Goals

	Current for Fiscal 2014	Fiscal 2015
	Total Sales Growth	Total Sales Growth
Performance Measures	EPS (Operating Profit for Business Units and Brands)	Free Cash Flow
Relative Return Measure	Not an explicit measure	10% Adjustment Up or Down based on 3-Year TSR Performance Relative to the S&P 500.

In addition, in fiscal 2014 we provided shareholders with an advisory vote on our executive compensation under Section 14A of the Exchange Act. At our 2013 Annual Meeting of Shareholders, shareholders expressed support for the compensation of our NEOs, with 76.9 percent of the votes cast voting approval. The Committee evaluated the results of the 2013 advisory vote. The Committee also considered many other factors in its evaluation of our executive compensation programs, as discussed in this Compensation Discussion and Analysis, including the Committee’s assessment of the interaction of our executive compensation programs with our business objectives, input from the Committee’s independent consultant and feedback from a diverse mix of our institutional shareholders, each of which is evaluated in the context of the Committee’s fiduciary duty to act in what the directors determine to be in shareholders’ best interests. As a result of those evaluations and assessments, the Committee made the enhancements to the Total Reward Program described above.

A Unifying, Motivating Culture

The foundation for shareholder value creation at Darden remains the Company’s culture. With approximately 206,000 employees, we are recognized for having a winning culture that emphasizes caring for and responding to people. It is a culture that is defined by diversity and inclusiveness, that values our team members and that is deeply committed to sustainability. These are some of the attributes behind Darden’s recognition by FORTUNE magazine, for the fourth consecutive year, as one of the “100 Best Companies to Work For.”

Close to half of our restaurant team members are minority and more than half are female.

We believe we are competitively superior to our restaurant industry peers in the diversity of our operations leadership teams.

At the officer level, approximately one-fifth of our leaders are minorities and approximately one-quarter are female.

Approximately one-third of Darden Board members are minorities and/or female.

Internal promotions account for more than 50 percent of our restaurant managers, 98 percent of our general managers and directors of operations and 75 percent of our officers.

We scored 100 out of 100 on the Human Rights Campaign (HRC) 2014 Corporate Equality Index (CEI) for our business practices and policies, being recognized as a “Best Places to Work for LGBT Equality.”

Hispanic Business Media named us one of its “2013 Best Companies for Diversity” and LATINA Style Magazine ranked us among the 50 best companies on its “2013 LATINA Style 50 Report.”

The Company’s “People, Planet & Plate” framework encompasses food safety, seafood stewardship, animal welfare, thoughtful consideration of the nutritional content of the meals we serve and better understanding and managing of our environmental “footprint.”

2014 Financial Results

We believe that our Company has long had an industry leadership position, with brands that have had competitively superior average annual sales per restaurant and restaurant level returns, as well as an effective and efficient operating support platform. For that reason, we establish aggressive financial targets.

Fiscal 2014 total diluted net EPS were \$2.15, which compares to \$3.13 last year. For the fiscal year, diluted net EPS were adversely affected by approximately 32 cents due to strategic plan action costs and charges related to various impairments.

For fiscal 2014, total sales from continuing and discontinuing operations were \$8.76 billion, a 2.4% increase from \$8.55 billion last year. As a result of the sale of Red Lobster, operating results for Red Lobster and two closed synergy restaurants are included in discontinued operations.

Total sales for fiscal 2014 include sales of \$6.29 billion from continuing operations and sales of \$2.47 billion from discontinued operations. Total sales for fiscal 2013 include sales of \$5.92 billion from continuing operations and sales of \$2.63 billion from discontinued operations.

The increase in total sales reflects 5.6% of growth in sales for the year due to new restaurants (including incremental operating weeks this year compared to last year as a result of the acquisition of 40 Yard House restaurants in the second

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quarter of last year), and same-restaurant sales growth of 2.7% for LongHorn Steakhouse and 1.6% for the Company's Specialty Restaurants, offset partially by same-restaurant sales declines of 3.4% for Olive Garden and 6.0% for Red Lobster.

Our fiscal 2014 annual bonuses are based on both individual performance and the achievement of target goals for diluted net EPS and sales growth. Our bonus targets were set by the Committee at the beginning of the fiscal year, and as a result, are based on total Company sales (from both continued and discontinued operations) and diluted net EPS. In addition, the amounts shown in the table below for fiscal 2014 for bonus purposes exclude strategic action plan costs and certain impairment charges.

Fiscal 2014 Financial Results for Annual Bonus Purposes

Sales (in billions)

As reported:

Continuing operations	\$6.29
Discontinued operations (due to Red Lobster sale)	\$2.47
Total sales	\$8.76
Sales for bonus purposes	\$8.76

Diluted net EPS

As reported:

Strategic action plan costs and certain impairment charges	\$0.28
EPS for bonus purposes	\$2.43

The chart below displays cumulative total sales growth from fiscal 2009 through fiscal 2014 for Darden on a combined basis (with Red Lobster), as well as cumulative total sales growth for the period for Darden on a continuing basis (Darden's brands excluding Red Lobster) and for Red Lobster. As indicated, sales growth for the Company has been much more robust excluding Red Lobster. The expectation that this would continue to be the case was an important consideration in the development of the Company's strategic action plan.

Cumulative Sales Growth FY2009 - FY2014

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Pay for Performance

We believe that linking pay to the achievement of both short- and long-term goals is critical to employee engagement and to driving the long-term success of the Company. Our Total Rewards Program:

- Maintains a critical line of sight between Company performance and individual rewards;
- Supports good corporate governance and compensation best practices;
- Mitigates business risk;
- Strengthens our ability to attract, retain, and reward critical talent; and
- Aligns the financial interest of the executive officers with those of the shareholders by requiring the officers to hold Darden equity.

For fiscal 2014, annual bonus awards to our NEOs were driven largely by the extent to which the Company achieved diluted net earnings per share (EPS) and sales goals established at the beginning of the fiscal year. Our financial performance in fiscal 2014 fell below our expectations, with both earnings and sales well below target. The bonus awards to the CEO and other NEOs for the year reflect these results, continuing our track record of strongly linking annual financial performance and annual incentive pay.

Our CEO's compensation at target is closely aligned with shareholder interests, with 81 percent performance-based and 62 percent equity-based. In addition to maintaining an appropriate mix of compensation at target for our CEO, we require that he hold Darden equity valued at six times his annual salary, and he is well above that threshold.

CEO Compensation Mix at Target

There is strong linkage between our CEO's realizable pay and our TSR. Our below target financial performance in fiscal 2014 put downward pressure on our TSR and our performance is reflected in the compensation delivered to our CEO (and our other NEOs). The alignment over time between our CEO's compensation and our Company's performance as measured by TSR is illustrated in the graph below. It shows average annual compensation for our CEO for the three most recent three-year performance periods compared to our Company's average annual TSR for those performance periods. Realizable pay is computed as our CEO's reported pay, which includes actual annual base salary and actual annual bonus plus his long-term incentive awards valued using the Company's stock price on the last trading day of each three-year period. Realizable pay is an additional reference point to illustrate the value our CEO can realize from his equity awards as of the end of each fiscal year. This value will be higher or lower than the grant date value reflected in the Summary Compensation Table depending on the price of our common stock at the end of each fiscal year. We show realizable pay below because we believe it provides additional information on the compensation our CEO has (base salary and MIP bonus) and could (LTI) receive.

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CEO's Average Annual Target and Realizable Pay and Darden's Average Annual Total Shareholder Return for the Most Recent 3-Year Performance Periods

Notes:

Realizable pay is calculated as our CEO's reported pay, which includes actual annual base salary and actual annual bonus plus his annual long-term incentive award valued using the Company's stock price on the last trading day of the three-year period. (Option values reflect the spread value of awards granted within the three-year period. PSU values are based on awards granted within the three-year period and their value reflects the actual shares that were earned where the performance period was completed within that three-year period otherwise the target number of shares were used.)

Target annual MIP bonus in the target pay calculation reflects a 1.0 Company and individual rating for all years.

Key Features of Our Total Rewards Program

The Committee believes that the Total Rewards Program includes key features that reflect best practices in executive compensation.

What We Do

We pay for performance.

We use long-term incentives to link the majority of our NEO pay to Company performance over time.

We balance short-term and long-term Incentives.

We cap incentive awards.

We have robust stock ownership requirements.

We have a claw-back policy.

We have double-trigger equity vesting in the event of a change-of-control.

We retain an independent compensation consultant.

We provide broad-based benefits to our executives.

What We Don't Do

We do not pay dividend equivalents on unvested long-term Incentives (effective May 31, 2009).

We do not allow repricing of underwater stock options.

We do not normally enter into multi-year employment contracts.*

We do not provide tax gross-ups for NEOs.

We do not automatically accelerate vesting of equity upon a change-of-control; a "double trigger" is required.

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*We did enter into an agreement with Mr. Lee dated August 13, 2007 in connection with the acquisition of RARE Hospitality International, Inc. ("RARE") on October 1, 2007. We also entered into agreements with Messrs. Madsen and Pickens in connection with their retirements. The terms of Mr. Lee's agreement and the Management Continuity Agreements are more fully described in the section below entitled "Executive Compensation-Potential Payments Upon Termination or Change of Control." The terms of the agreements with Messrs. Madsen and Pickens are more fully described in the section below entitled "Other Named Executive Officer Compensation - Retired NEOs."

Executive Talent and Total Rewards Philosophy

Our executive talent and total rewards philosophy enables us to attract well-qualified executives and to motivate and reward them for business results and leadership behaviors that drive our business strategy. We are committed to a pay for performance culture that includes high standards of ethical behavior and corporate governance. We believe our Total Rewards Program is aligned with shareholder interests.

Incentive Opportunities Drive Our Business Strategy and Are Aligned with Shareholders' Interests

Our Total Rewards Program in general, and our incentive opportunities in particular, are designed to meet our two primary goals, which are to win financially and to create a strong culture. Our incentive opportunities are designed to drive strong and sustainable profitable sales growth and maximize TSR. Our Performance Stock Unit (PSU) incentive opportunity has a three-year performance period. Our Company has delivered a TSR that is below the S&P 500 median on a three-year rolling basis.

Our stock option incentives, which have a 10-year term, are designed to drive performance over the long term. Our Company has consistently generated a TSR that is well above the S&P 500 median on a rolling ten-year basis over much of the past decade, although our TSR has been more consistent with the S&P 500 median the last few years.

Total Shareholder Return on a Rolling 10-Year Basis

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Incentive Compensation Aligned with Performance

Total direct compensation (salary, annual incentives, and long-term incentives) for our NEOs is structured so that at least two-thirds of the total value at target is attributable to Company and individual performance. We have a pay for performance culture and our NEOs receive higher bonus awards when financial targets are met or exceeded and lower bonus awards when financial targets are not met. Our targets are set to reward our NEOs with bonus payouts that are top quartile for our compensation peer group when they deliver results that are consistent with a projected TSR in the top quartile of the S&P 500 and bonus payouts that are well below median (and may be zero) for performance that falls short of the median of the S&P 500.

Elements of Our Total Rewards Program

Our Total Rewards Program for NEOs is comprised of base salary, annual incentives, long-term incentives, perquisites, and retirement, savings and non-qualified deferred compensation plans. Our NEOs also are eligible to participate in the health benefits available to our U.S. salaried employees. The table below describes each element in the Total Rewards Program for our NEOs, why we provide each element, how we determine the amount, and what each element is intended to reward:

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Total Rewards Element	Why we provide it	How we determine the amount	What it is intended to reward
Base Salary	<p>To provide a competitive level of fixed pay based on:</p> <p>Size, scope and complexity of the individual's role; individual's performance; and relative position compared to market pay information.</p> <p>To provide performance-based pay for annual performance.</p>	<p>Approximately the median of compensation peer group of companies.</p>	<p>Individual performance and level of experience and responsibility.</p>
Annual Incentives (MIP)	<p>Company performance measures for fiscal 2014: EPS for corporate officers and operating profit for business unit or group presidents (70 percent) and Sales (30 percent).</p> <p>Company performance measures for fiscal 2015: EPS for corporate officers and operating profit for business unit or group presidents (70 percent) and Same-restaurant Sales (30 percent).</p> <p>Company rating is determined based solely on Company performance for NEOs other than business unit or group presidents, whose Company ratings are based on business unit or group results (80 percent) and Darden results (20 percent).</p> <p>To drive value creation for shareholders over the long-term.</p> <p>Provides at-risk performance pay opportunity for long-term performance.</p>	<p>Performance based: Award opportunities range from zero to above median for compensation peer group of companies.</p>	<p>Company performance and individual performance.</p>
Long-term Incentives (LTI)	<p>A combination of PSUs (1/3 of LTI grant value) and stock options (2/3 of LTI grant value) for officers.</p> <p>Stock Options drive TSR over the long-term (10 years).</p> <p>PSUs drive sales and EPS growth over intermediate term (3 years).</p> <p>To provide competitive total rewards and to deliver value beyond the cash equivalent value of the benefit delivered.</p>	<p>Performance based: Award opportunities range from zero to above median for compensation peer group of companies.</p>	<p>Rewards overall Company performance.</p>
Perquisites	<p>All of our NEOs receive an annual physical examination, a limited allowance toward a Company car, and an annual financial counseling benefit.</p>	<p>Approximately the median of compensation peer group of companies.</p>	<p>Reinforces our goal of creating a culture that is a special place to be.</p>

Retirement, Savings and Health Benefits	To provide competitive retirement and health benefits to our employees. Our NEOs participate in the same benefit plans made available to our U.S. employees who meet the IRS definition of highly compensated employee (\$115,000 for 2014).	Approximately the median of compensation peer group of companies.	Provides a level of financial protection in the event of illness, disability or death and provides a reasonable level of retirement income based on years of service and Company performance.
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Base Salary

We provide competitive base salaries to our NEOs in recognition of their job responsibilities. In addition to external competitive market data (what our peer companies pay for similar positions), we consider individual work experience, leadership, knowledge and internal parity among those performing like jobs when setting salary levels. Annual salary increases are primarily driven by individual performance and market adjustments based on the relative position of the individual's salary to market data.

Annual Incentives

We establish competitive annual performance bonus opportunities as a percent of salary for our NEOs that:

◆ Motivate attainment of annual financial goals,

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• Link annual cash compensation to achievement of key business objectives, which includes business unit/brand and overall Company performance, and
• Reward individual performance and contribution.

Our NEOs participate in the MIP, an annual incentive plan. The MIP requires that the Company have consolidated earnings for the fiscal year in order for awards to be made for that year. Assuming that condition is satisfied, the Committee has the discretion to establish the elements used to determine annual incentive awards and payments, if any, to be made, subject to certain limitations. The maximum awards payable for any plan year to any individual MIP participant may not exceed two tenths of one percent (0.2 percent) of the Company's annual sales for the year. The bonus amounts actually paid to our NEOs are based on both individual and Company performance, as described on pages [__ - __] and [__ - __].

Fiscal Year 2014 Performance Goals for Annual MIP Bonus Purposes*

*Reconciliation to reported amounts is contained under "2014 Financial Results" above.

Long-term Incentives

We establish LTI opportunities as a dollar value for our NEOs that:

• Motivate achievement of our objective of winning financially, which involves delivering competitively superior earnings and sales performance annually and building value for shareholders over the long term;

• Vary in the size of award, based primarily on individual performance; and

• Vary in the ultimate actual value of the awards based on:

The degree to which long-term operational goals are attained; and

The Company's return to shareholders as measured by the Company's stock price.

We deliver LTIs to our NEOs using two types of equity awards to provide an appropriate balance of incentives between intermediate term (3 year) performance and longer term (10 year) performance. Two-thirds of the LTI grant value is delivered in stock options, which have value only if there is an increase in value recognized by our shareholders over the longer term. The remaining one-third of the LTI grant value is delivered in PSUs, which focus our executives on sustained profitable sales growth. This mix of stock options and PSUs supports our pay-for-performance objective by tying vested awards to stock price appreciation and, in the case of PSUs, the achievement of financial metrics that are key drivers of long-term shareholder value creation. We granted our NEOs the following long-term incentives in fiscal 2014:

• Stock options, with an exercise price equal to the closing price of our common stock on the grant date and which vest 50 percent on the third and fourth anniversary of the grant and expire ten years from the grant date.

PSUs, which are paid in cash after the end of a three-year performance period and are determined by multiplying the number of PSUs granted by the average level of achievement of the goals (to determine the number of PSUs earned) and multiplying that result by the Company's closing stock price on the vesting date. Actual awards (excluding dividends) may range from 0 percent to 150 percent of the PSUs granted. PSUs receive no dividend equivalents on unearned or unvested units. For fiscal 2014 and prior years, the PSUs were based on performance against the following metrics, weighted equally:

Sales: operational sales growth for each year of the performance period; and

EPS: diluted net EPS growth for each year of the performance period.

In addition, PSU awards provide for pro-rata vesting upon early retirement (after attainment of age 55 with 10 years of service); involuntary termination of employment after an individual's age and service is at least equal to 70 years; or disability; and for full vesting if, within two years following a "change of control" of the Company, an individual is terminated involuntarily without cause or voluntarily terminates with "good reason" (where such terms are defined in

the PSUs in a manner that is

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substantially similar to the definition of those terms in our Management Continuity Agreements, as explained in more detail under the heading “Payments Made Upon Termination or Change of Control” on page [__]).

For fiscal 2014, our diluted net EPS growth and sales growth were below target. As a result, the PSUs granted in 2011 vested at the end of fiscal 2014, and vesting was 35 percent of target based on an average of our achievement of target in fiscal 2012 (67 percent of target), fiscal 2013 (8 percent of target), and fiscal 2014 (29 percent of target).

Perquisites

We provide limited perquisites to our NEOs that we believe are appropriate to enable business continuity and minimize work distractions, which include an annual physical examination, and a limited allowance toward a Company car, an annual financial counseling benefit, and miscellaneous expenses. We do not provide executive medical, health or insurance programs. Our executives participate in the broad-based health and insurance plans available to our U.S. employees.

Other Benefits

Our NEOs receive the same employee benefits provided to other salaried U.S. employees. These benefits include:

Non-Qualified Deferred Compensation Plans. Our NEOs participate in the non-qualified FlexComp Plan and are not eligible to participate in Darden’s qualified plans. The FlexComp Plan allows participants to defer receipt of up to 25 percent of their base salaries and up to 100 percent of their annual incentive compensation. Amounts deferred under the FlexComp Plan are payable in cash on a date in the future. Benefits under the FlexComp Plan are unsecured promises to pay by the Company and are not secured by trust assets. Distributions are normally made in the form of a single sum cash payment. Participants may also elect to receive 5-year or 10-year installment payments. We make contributions into the FlexComp Plan for our NEOs in place of benefits under our qualified retirement and savings plans. These Company contributions are distributed upon the participant’s retirement or termination of employment. The Company contributions consist of two components: a matching contribution ranging from 1.5 percent to 7.2 percent of the employee’s base salary plus annual cash incentive earned during the fiscal year, based on Company performance, and a fixed amount. The fixed amount for our CEO, Mr. Otis, and for Messrs. Lee and Lopdrup is 4 percent of their annual cash compensation. For Messrs. Madsen, Richmond and Pickens, who were hired before June 25, 2000, the fixed contribution is based on age and years of service and ranges from 12 percent to 18 percent of annual cash compensation. The FlexComp Plan does not have a guaranteed rate of return or guaranteed retirement benefit. Our contributions for the NEOs in fiscal 2014 are included in the “All Other Compensation” column of the Summary Compensation Table.

Qualified Retirement Plans. None of our NEOs are currently active participants in the Retirement Income Plan, a qualified retirement plan sponsored by us. Messrs. Richmond and Pickens participated in the Retirement Income Plan prior to attaining their current positions and they will receive benefits upon retirement. The Retirement Income Plan is funded from a pension trust maintained by us.

Qualified Darden Savings Plans. The Darden Savings Plan is the Company’s qualified savings plan and provides eligible employees with automatic savings through payroll deduction, company matching contributions, deferral of income through before-tax contributions, and a choice of investment funds. Messrs. Richmond and Pickens participated in the Darden Savings Plan prior to assuming their current positions and prior to implementation of the FlexComp Plan. Mr. Lee has a balance due to the merger of the RARE 401(k) plan into the Darden Savings Plan. Although they can no longer make contributions to the Plan, Messrs. Lee, Richmond and Pickens have vested benefits in the Darden Savings Plan as of May 26, 2014 of \$21,865, \$342,593, and \$37,545, respectively.

Compensation Decisions for Fiscal 2014 Performance

Company ratings are determined based solely on Company performance for NEOs other than business unit or group presidents, whose Company ratings are based on business unit or group results (80 percent) and Darden results (20 percent). Company rating performance measures for fiscal 2014 were:

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Performance Metric	Weighting
Corporate	
Diluted Net EPS Growth	70 percent
Net Sales	30 percent
Business Unit - Specialty Restaurant Group (“SRG”) or Red Lobster business unit	
Operating Profit Growth - Business unit or group	70 percent
Net Sales - Business unit or group	30 percent

Fiscal 2014 bonus targets were set by the Committee at the beginning of the fiscal year and were not modified to account for the sale of Red Lobster. In addition, fiscal 2014 results for bonus purposes exclude strategic action plan costs and certain impairment charges.

Goals for fiscal 2014 were established based on an expectation that fiscal 2014 would be a year of strategic focus and investment. And, while fiscal 2014 was a year of significant strategic transition and progress, it was also a year in which sales growth and earnings were below target.

Financial Results for Annual Bonus Purposes

Financial Objective	FY2013 Results	FY2014 Bonus Target	FY2014 Actual	FY2014 Results for Bonus Purposes	Corporate Performance Ratings Based on Goal Achievement
Sales (in billions)					
Total Sales	\$8.55				
Continuing operations			\$6.29		
Discontinued operations (Red Lobster sale)			\$2.47		
Total sales for bonus purposes		\$8.94	\$8.76	\$8.76	0.72
Diluted net EPS					
As reported:	\$3.13		\$2.15	\$2.15	
Strategic action plan costs and certain impairment charges				\$0.28	
EPS for bonus purposes		\$2.56	N/A	\$2.43	0.43

Fiscal 2014 results on these corporate performance measures translated into a 0.64 Corporate Performance Rating, which reflects 64 percent achievement of the target bonus.

Corporate Performance Measures	FY2014 Corporate Performance Ratings	Goal Weighting	Corporate Performance Rating Calculation
Diluted Net EPS Growth (weighted 70 percent)	0.72	70 percent	51 percent
Net Sales Growth (weighted 30 percent)	0.43	30 percent	13 percent
Bonus as Percent of Target			64 percent

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Our annual corporate performance ratings can vary significantly based on our Company's performance in the fiscal year. One way to assess how difficult or likely it would be for our Company to achieve annual bonus goals is to look at our historical results.

In the past ten years (fiscal years 2005 through 2014), our corporate performance ratings have ranged from a low of 0.22 to a high of 1.89. Over this 10-year period, annual corporate performance ratings have averaged 1.00.

In the past twenty years (fiscal years 1995 through 2014), our corporate performance ratings have ranged from a low of 0.22 to a high of 2.00. Over this 20-year period, annual corporate performance ratings have averaged 1.21.

CEO Compensation

Clarence Otis, Jr. assumed the role of CEO in November 2004 and the additional role of Chairman of the Board in November 2005. Mr. Otis has been with the Company for 19 years, following 11 years of experience in the financial services industry. Mr. Otis continues our practice of developing and promoting leaders from within our Company. Mr. Otis will continue in the CEO role until the earlier of the appointment of his successor or December 31, 2014. Compensation related to Mr. Otis's departure will be described in next year's proxy statement. Mr. Otis's compensation related to fiscal 2014 is discussed below.

Working with the Committee's consultant, the Committee determines and recommends to the other independent directors for approval, the CEO's base salary, annual incentive plan payment under the MIP (consistent with the terms of such plan) and long-term incentive program awards. In its review, the Committee considered the market analysis provided by the Committee's consultant and the individual performance rating. The independent directors determined the performance rating for the CEO based on the Committee's recommendation.

The Board based its assessment of Mr. Otis primarily on the evaluation of Company performance as summarized under "Compensation Decisions for Fiscal 2014 Performance" on pages [] and [-]. In addition to Company performance, our CEO was evaluated by the Committee for his individual performance against his annual individual goals, which were approved by the Committee early in fiscal 2014. The goal setting process is described on pages [-], where Financial, Guest, Employee and Process Excellence objectives and success measures are defined. Written evaluations from each non-employee member of the Board, for his performance were obtained and reviewed. And, as part of the process, our CEO provides a self-assessment. The Committee discusses the CEO's self-assessment as well as the Committee members' and all other independent Board members' assessments of the CEO's performance in an executive session at which the CEO is not present. In a year with challenging macro-economic and competitive pressures, Mr. Otis drove the strategic repositioning of the Company. However, as noted above, the Company's financial performance was disappointing and this performance was the primary driver of Mr. Otis's assessment. Please see pages [] and [-] for a description of the assessment of Company performance and how Company Performance Ratings are determined.

As reported in last year's proxy, in July 2013 the Committee increased the CEO's salary by 3.0 percent to \$1,211,300 in light of his contribution to our Company's success, his leadership and a review of market data. This salary increase occurred in fiscal 2014 and is reflected in the Summary Compensation Table on page []. In June 2014, the Committee did not increase the CEO's salary.

The calculated annual MIP bonus for our CEO was \$732,344, equal to 60.5 percent of his base salary based on performance relative to his individual and business objectives. This amount is reflected in the Summary Compensation Table. The LTI grant for fiscal 2014 (made in July 2013) for our CEO is included in the table entitled "Grants of Plan-Based Awards for Fiscal 2014."

There is a significant difference in cash components of compensation (base salary, annual MIP bonus, and the PSU portion of long-term incentive) paid to the CEO when the Company has superior performance (resulting in a 1.40 corporate performance rating and 100% PSU payout) versus performance resulting in a 1.00 corporate performance

rating and 50% PSU payout). The chart below demonstrates the range of performance goals and corresponding range of cash-based compensation for performance periods ending in fiscal 2014 for our CEO. The chart shows base salary paid to our CEO during fiscal 2014, the annual MIP bonus paid to our CEO based on fiscal 2014 performance and the PSU payout based on Company performance over the three-year performance period ending with fiscal 2014.

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Fiscal 2014 Cash Compensation Opportunities for Fiscal 2014

Other Named Executive Officer Compensation

Eugene I. Lee, Jr. became our President and Chief Operating Officer (COO) following Mr. Madsen's retirement announcement. Prior to serving as our COO, Mr. Lee had been our President of Specialty Restaurant Group since October 2007, when Darden acquired RARE and formerly was President and Chief Operating Officer for RARE. Mr. Lee was with RARE for 11 years and has more than 20 years of restaurant experience, including 11 years with General Mills, Inc., our former parent company. Aligned with our Total Rewards Program and practices, considering his performance and assessing market competitiveness, the CEO's recommendation and advice from its independent consultant, the Committee took the following compensation actions with respect to Mr. Lee:

Based on the assessment of his individual and business unit performance for fiscal 2014, the Committee awarded Mr. Lee an annual MIP bonus award of \$337,500, based on a bonus opportunity as a percent of salary of 60% for the portion of the year that he was President, SRG and 70% for the portion of the year that he was COO.

As reported in last year's proxy, in July 2013 the Committee increased Mr. Lee's salary by 1.5% to \$577,500. Upon Mr. Lee's promotion to COO in September 2013, the Committee increased Mr. Lee's salary to \$700,000. These salary increases occurred in fiscal 2014 and are reflected in the Summary Compensation Table on page [__].

The LTI grant for fiscal 2014 (made in July 2013) and the LTI grant made in September 2013 upon his appointment to COO are included in the table entitled "Grants of Plan-Based Awards for Fiscal 2014."

In June 2014, the Committee increased Mr. Lee's salary by 2 percent to \$714,000. This salary will be reflected in next year's Summary Compensation Table.

C. Bradford Richmond has been our Senior Vice President and Chief Financial Officer (CFO) since December 2006. He has been with the Company for 31 years. Aligned with our Total Rewards Program and practices, considering his performance and assessing market competitiveness, the CEO's recommendation and advice from its independent consultant, the Committee took the following compensation actions with respect to Mr. Richmond:

Based on the assessment of his individual and business unit performance for fiscal 2014, the Committee awarded Mr. Richmond an annual MIP bonus award of \$198,030, based on a bonus opportunity as a percent of salary of 60%.

As reported in last year's proxy, in July 2013 the Committee increased Mr. Richmond's salary by 2 percent to \$544,900. This salary increase occurred in fiscal 2014 and is reflected in the Summary Compensation Table on page [__].

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The LTI grant for fiscal 2014 (made in July 2013) for Mr. Richmond is included in the table entitled “Grants of Plan-Based Awards for Fiscal 2014.”

In June 2014, the Committee increased Mr. Richmond’s salary by 3 percent to \$561,200, effective in fiscal 2015. This action will be reflected in next year’s Summary Compensation Table.

Kim Lopdrup is our CEO Elect, Red Lobster since January 2014. Mr. Lopdrup served as President, Red Lobster for seven years before serving as Darden’s business development leader from June 2011 until July 2013. Aligned with our Total Rewards Program and practices, considering his performance and assessing market competitiveness, the CEO’s recommendation and advice from its independent consultant, the Committee took the following compensation actions with respect to Mr. Lopdrup:

Based on the assessment of his individual and business unit performance for fiscal 2014, the Committee awarded Mr. Lopdrup an annual MIP bonus award of \$303,870, based on a bonus opportunity as a percent of salary of 60%.

In July 2013 the Committee increased Mr. Lopdrup’s salary by 2 percent to \$574,600. Upon Mr. Lopdrup’s promotion to SVP, Specialty Restaurant Group and New Business in September 2013, the Committee increased Mr. Lopdrup’s salary to \$600,000. These salary increases occurred in fiscal 2014 and are reflected in the Summary Compensation Table on page [__].

The LTI grant for fiscal 2014 (made in July 2013) and the LTI grant made in September 2013 upon Mr. Lopdrup’s appointment to SVP, Specialty Restaurant Group and New Business, are included in the table entitled “Grants of Plan-Based Awards for Fiscal 2014.”

In December 2013, Mr. Lopdrup was appointed CEO Elect, Red Lobster with no change in compensation. With the expectation that Mr. Lopdrup will lead the Red Lobster business after its separation from Darden, the Committee did not award Mr. Lopdrup a salary increase in June 2014.

Other Named Executive Officer Compensation - Retired NEOs

Andrew H. Madsen, our former President and Chief Operating Officer, retired in November 2013, at the end of the second quarter, to facilitate the Company’s organizational redesign and talent planning. Prior to his retirement, Mr. Madsen contributed to the Company’s performance as a member of the Executive and Operating Teams and a member of the Board. Mr. Madsen’s retirement-related compensation is described in more detail on pages [__ - __]. In connection with Mr. Madsen’s retirement, on November 22, 2013, the Company entered into an agreement with Mr. Madsen. Under the agreement, for approximately twenty-one months following his retirement, Mr. Madsen will receive his regular weekly gross base salary, will remain eligible to participate in medical, dental, and vision programs similar to his current coverage level, and will continue to vest in existing equity awards in accordance with the terms of the applicable award agreements. In addition, Mr. Madsen will retain certain other ancillary benefits for limited periods, including physical examination and financial counseling benefits. The agreement includes customary confidentiality, non-solicitation, non-competition, non-disparagement and release provisions. Mr. Madsen received an annual MIP bonus award for fiscal 2014, pro-rated for his active service during the fiscal year, of \$206,319. The LTI grant for fiscal 2014 (made in July 2013) for Mr. Madsen is included in the table entitled “Grants of Plan-Based Awards for Fiscal 2014.” As reported in last year’s proxy, in July 2013 the Board increased Mr. Madsen’s salary by 2 percent to \$866,200. This salary is reflected in the Summary Compensation Table on page [__].

David T. Pickens served as our Chief Restaurant Operations Officer (CROO) from July 2013 until his retirement on May 25, 2014, the end of the fiscal year. From June 2011 until July 2013, he was our President, Red Lobster. During fiscal 2014, he served as President, Red Lobster, for a portion of the year and as CROO for most of the year. Prior to June 2011, Mr. Pickens was our President of Olive Garden from December 2004 to June 2011. Mr. Pickens had been with the Company for 41 years. Aligned with our Total Rewards Program and practices, considering his performance and assessing market competitiveness, the CEO’s recommendation and advice from its independent consultant, the Committee took the following compensation actions with respect to Mr. Pickens:

Based on the assessment of his individual and business unit performance for fiscal 2014, the Committee awarded Mr. Pickens an annual MIP bonus award of \$196,517, based on a bonus opportunity as a percent of salary of 60%. As reported in last year's proxy, in July 2013 the Committee increased Mr. Pickens's salary by 2 percent to \$574,600. This salary increase is reflected in the Summary Compensation Table on page [__]. There was no change in compensation upon Mr. Pickens appointment to CROO in July 2013.

The LTI grant for fiscal 2014 (made in July 2013) is included in the table entitled "Grants of Plan-Based Awards for Fiscal 2014."

To enable our organizational redesign and talent planning, on May 23, 2014, the Company entered into an agreement with Mr. Pickens. Under the agreement, for approximately eighteen months following his retirement, Mr. Pickens will receive his regular weekly gross base salary, will remain eligible to participate in medical, dental, and vision programs similar to his current coverage level, and will continue to vest in existing equity awards in accordance with the terms of

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the applicable award agreements. In addition, Mr. Pickens will retain certain other ancillary benefits for limited periods, including physical examination and financial counseling benefits. The agreement includes customary confidentiality, non-solicitation, non-competition, non-disparagement and release provisions.

Setting Compensation and Performance Targets

The Committee uses a compensation peer group to assess the competitiveness of the compensation of our NEOs. We benchmark financial performance using the S&P 500. In fiscal 2014, when we set performance targets for diluted net EPS and net sales, we took the S&P 500 competitive set and the projected industry sales growth into consideration. Please see page [] for more information about how our Company's TSR compares to the TSR delivered by the S&P 500.

Setting Performance Targets

At the beginning of each fiscal year, the Committee chooses financial measures and establishes a grid for each measure that is used to determine both annual incentive and long-term incentive awards for the NEOs.

The target setting process for our annual and our long-term incentive programs is informed by what we project to be the TSR for both median and top quartile of the S&P 500. Our process also uses industry benchmarks, focusing on the full-service dining segment and on such metrics as historical and projected same-restaurant sales and guest counts. This process is grounded in, and the Company's diluted net EPS and sales targets for fiscal 2014 were established in part based on, a model that relies heavily on cash flow return on invested capital.

For the annual incentive awards for fiscal 2014, Darden's net sales growth is weighted 30 percent and Darden's diluted net EPS growth is weighted 70 percent. For PSUs for fiscal 2014, Darden's net sales growth is weighted 50 percent and Darden's diluted net EPS growth is weighted 50 percent. Performance against grids based on these measures drove 100 percent of the corporate performance rating for the entire year for Messrs. Otis, Richmond, Lopdrup and Madsen, and for the portion of fiscal 2014 that Messrs. Lee and Pickens served as COO and CROO, respectively. For the portion of fiscal 2014 that Messrs. Lee and Pickens served as the President of Specialty Restaurant Group and the President of Red Lobster, respectively, performance against grids based on these measures drove 20 percent of the corporate performance rating and the remaining 80 percent of the Corporate Performance Rating was tied to the operating profit and sales growth results of the Specialty Restaurant Group and Red Lobster, respectively.

Compensation Peer Group

To assure that our Total Rewards Program is appropriately competitive in the labor marketplace, the Committee, with the assistance of management and Towers Watson, compares our total reward levels to the total reward levels of the companies in our compensation peer group. The Committee reviews the list of companies included in our compensation peer group from time to time. These companies were identified through consultation with the Committee's independent consultant, Towers Watson. The Compensation Peer Group is comprised of companies in restaurant, retail, hospitality and branded consumer goods industries that meet one or more of the following criteria:

- Industry competitors in the dining space;
- Direct competitors for executive talent;
- Companies with similar business dynamics, geographic dispersion, workforce demographics, brand equity and company culture; and
- Companies with revenues typically in the range of 50 percent to 200 percent of Darden's revenues.

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Restaurant	Retail	Hospitality	Consumer Packaged Goods
Bob Evans Farms Inc.	Gap, Inc.	Carnival Corporation	ConAgra Foods, Inc.
Brinker International, Inc.	Limited Brands, Inc.	Hilton Hotels Corporation	General Mills, Inc.
Buffalo Wild Wings, Inc.	Nordstroms Inc.	Marriott International, Inc.	The Hershey Company
Cracker Barrel Old Country Store, Inc.	VF Corporation	Royal Caribbean Cruises Ltd.	Kellogg Company
Denny's Corporation		Starwood Hotels & Resorts Worldwide Inc.	
Jack-in-the-Box, Inc.		Wyndham Worldwide Corporation	
McDonald's Corp.			
P.F. Chang's China Bistro			
Panera Bread Company			
Papa John's International Inc.			
Starbucks Corporation			
Texas Roadhouse, Inc.			
The Cheesecake Factory Incorporated			
The Wendy's Company			
YUM! Brands, Inc.			

Determining Compensation

The Committee regularly reviews each element of compensation and annually reviews the details of each executive officer's compensation. The Committee also determines total rewards packages for new executive officers when they are hired. All rewards are measured in the context of our Total Rewards philosophy. The Committee considers input from its independent consultant, Towers Watson, throughout this process.

With input from its independent consultant, the Committee regularly reviews market reward levels to determine if the rewards for our officers remain at the targeted levels and makes adjustments when appropriate. This assessment includes evaluation of our Total Rewards Program against a peer group of companies. The Committee assesses the data by reviewing positions with comparable complexity and scope of responsibility to the positions at our Company. In fiscal 2014, the Committee evaluated base salary levels, target annual incentive levels and target long-term incentive levels for our NEOs based on market data and benchmarking information provided by Towers Watson that reflected the Company's peer group.

2014 Compensation Mix at Target

Our Total Rewards Program supports our philosophy of aligning incentive compensation with performance and designing incentive opportunities that drive business strategy and creation of long-term value for shareholders. Our incentive opportunities are also designed to facilitate achieving results the right way, which to us means doing so while practicing leadership behaviors that contribute to making the Company a special place. Between 68 percent and 81 percent of total direct compensation, at target performance, for our NEO positions for fiscal 2014 is tied to performance, as shown below.

NEO Total Direct Compensation Mix at Target Performance Level

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Individual Performance Assessment

The Committee, comprised solely of independent members of the Board, regularly reviews each element of compensation and annually reviews the details of each executive officer's compensation. The Committee considers input from its independent consultant, Towers Watson, throughout this process. Please see pages [__] and [__ - __] for a description of the assessment of Company performance and how Compensation Decisions for Fiscal 2014 Performance are determined.

We believe executives should have a high percentage of variable total compensation to help ensure that their interests are aligned with those of our shareholders. Annual and long-term incentives are designed to reward executives primarily for the achievement of financial objectives. However, individual payout and grant levels are also influenced by the factors listed below, for which no specific goals or weightings are assigned:

- Potential impact the individual may make on our Company now and in the future;
- Internal pay relativity;
- Level of experience and skill;
- Individual performance compared with individual performance and leadership goals set annually;
- Market competitive compensation rates for similar positions; and
- Need to attract and retain executive talent.

The Committee is responsible for reviewing all rewards paid to our executive officers and for approving the awards to our executive officers, except our CEO, whose awards are approved by the independent directors of the Board based on recommendations by the Committee. Please see the "CEO Compensation" section on pages [__ - __] for a description of the process used to determine CEO compensation.

For our other NEOs, the CEO provides the Committee with his assessment of the performance of the other executive officers and his compensation recommendations. The Committee, with the CEO present, discusses each executive officer's performance, including how the CEO's compensation recommendations compare to the market pay levels of the compensation peer group and to the compensation levels of the other executive officers at the Company. The Committee then approves or modifies the CEO's recommendations.

Individual performance ratings are based on both the achievement of specific annual objectives (the "what") and the leadership behaviors the individual demonstrated in achieving the objectives (the "how"). The objectives are based on unique contributions an individual is expected to make to the Company as a result of his or her position, expertise and experience. Individual annual objectives fall into four categories: financial, guest, employee and process excellence; the rating on these objectives comprises 60 percent of each officer's individual performance rating.

The remaining 40 percent of each officer's individual performance rating is based on how the officer accomplished the objectives, measured against a set of critical leadership behaviors and skills linked to job success, career growth, and business success. Our leadership behaviors fall into four categories: personal leadership, people leadership, business leadership and results leadership; leadership behaviors are evaluated by the employee's manager on a five-point scale.

Governance of Executive Compensation

The Committee is responsible for the executive Total Rewards Program design and decision-making process. The Committee solicits input from the independent members of the Board, the CEO and other members of management, and its independent compensation consultant to assist with its responsibilities. The following summarizes the roles of each of the key participants in the executive compensation decision-making process.

Compensation Committee

- Acts on behalf of the Board by setting the principles that guide the design of our compensation and benefits programs.
- Sets the executive compensation philosophy and composition of the executive Compensation Peer Group.

• Approves the setting of competitive compensation target levels.

• Sets compensation programs and principles that are designed to link executive pay with Company and individual performance.

• Recommends CEO compensation to the independent members of the Board.

• Reviews and approves compensation decisions recommended by the CEO for each of the other NEOs.

• Reviews eligibility criteria and award guidelines for the corporate-wide Total Rewards Programs in which the NEOs participate.

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Independent Members of the Board

- Participate in the performance assessment of the CEO.
- Approve the CEO's compensation.

CEO

- Reviews and presents to the Committee the performance assessments and compensation recommendations for each of the other NEOs.

Independent Compensation Consultant

The Committee has engaged Towers Watson as its independent consultant to advise it on executive compensation matters. By the terms of its charter, only the Committee may retain or dismiss its advisors and consultants and approve their compensation. These advisors and consultants report directly to the Committee. The Company is responsible for the cost of the Committee's consultants and supports their work. Towers Watson may communicate with our employees as necessary, but Towers Watson may not perform any work for the Company other than for the Committee. In fiscal 2014, the independent compensation consultant:

- Attended all Committee meetings, at the request of the Committee.
- Advised the Committee on market trends, regulatory developments and issues and how they may impact our executive compensation programs.
- Reviewed the compensation strategy and executive compensation programs to ensure the linkage between pay and performance.
- Provided external benchmarking data and market analyses on executive total reward levels and programs to the Committee.
- Advised the Committee on the appropriateness of executive rewards or actions under consideration.

As required under SEC rules, the Committee considered whether Towers Watson's work raised any conflicts of interest. Based on the information received from Towers Watson and other relevant considerations, the Committee concluded that the work of Towers Watson did not raise any conflicts of interest.

Other Executive Compensation Policies and Guidelines

Agreements

With the exception of management continuity agreements ("MCAs"), which are limited to a change of control of the Company, and an agreement with Mr. Lee, which contains more restrictive non-compete, non-solicitation and non-disclosure provisions, we do not have formal severance agreements or employment agreements with our current NEOs. The intent of our MCA is to encourage executives involved in managing the Company through a potential change of control transaction to remain focused on the interests of our shareholders. The agreements have a "double trigger" in which an executive receives payouts following a change of control only if the executive, within 24 months following the change of control, loses his or her job, or resigns for "good reason" such as a substantial diminution of job duties. The agreements do not contain a so-called "golden parachute" excise tax gross-up. The agreements define "change of control" to mean certain specific and objective events that the Committee determines would result in an actual transfer of control of the Company; they define the bonus component of severance payments as the average bonus paid to the executive in the three years prior to the change of control. (The definition of "change of control" is more fully described in the section below entitled "Payments Made Upon a Change of Control".)

Our equity awards also have a "double trigger" in which stock options and other equity awards vest following a change of control only if the executive, within 24 months following the change of control, loses his or her job, or resigns for "good reason" such as a substantial diminution of job duties. "Change of control" is defined to mean certain specific and objective events that the Committee determines would result in an actual transfer of control of the Company.

We entered into an agreement with Mr. Lee dated August 13, 2007 in connection with the acquisition of RARE on October 1, 2007. The terms of Mr. Lee's agreement and the MCAs are more fully described in the section below entitled "Executive Compensation-Potential Payments Upon Termination or Change of Control."

We entered into an agreement with Mr. Madsen dated November 22, 2013 in connection with his retirement in November 2013 and an agreement with Mr. Pickens dated May 22, 2014 in connection with his retirement on May 25, 2014. The terms of these agreements are more fully described in the section above entitled "Other Named Executive Officer Compensation - Retired NEOs."

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Stock Ownership Guidelines

In keeping with our objective of aligning our officers' interests with our shareholders' interests, we require our officers to hold equity in the Company equal in value to a designated multiple of their salaries. We define ownership for this purpose using the definition of benefit ownership used for the proxy.

The required ownership values vary based on the officer's level of responsibility. Our CEO is required to hold stock equal to six times his base salary. Our other NEOs are required to hold stock equal in value to four and a half times base salary. All executive officers, including the CEO, generally must meet these levels within seven years of attaining their position, according to the following schedule: 10 percent of the stock ownership goal attained in year one, 20 percent in year two, 30 percent in year three, 40 percent in year four, 60 percent in year five, 80 percent in year six, and 100 percent in year seven. Each year, the Committee reviews officer ownership levels. At this time, our NEOs all meet or exceed their share ownership requirement.

Policy on Granting Equity Awards

Our equity awards policy provides that incentive equity grants to employees, including stock option grants, are made once per year and are effective on the last Wednesday in fiscal July. Stock option grants under our Bonus Option Replacement Program, where employees may elect to receive stock options in lieu of a portion of their bonus, are made on the last Wednesday in fiscal July, except in the case of our directors of operations where grants are made on the last day of each fiscal quarter on which the NYSE is open for trading. Any other interim or ad hoc equity awards such as retention awards, including stock option grants, are made effective on such date as the Committee, the Board or authorized individual approving the award may determine. The grant date for equity awards is never a date prior to approval. The exercise price of stock options is the fair market value of our common stock on the date of the grant as measured by the closing sales price of our common stock on the NYSE. All equity awards granted during fiscal 2014 were consistent with this policy.

Recoupment and Forfeiture of Compensation

We have adopted claw-back provisions which provide that an officer is required to repay performance-based rewards to the Company if he or she knowingly participates in a fraud that requires the Company to restate its financial statements. Performance-based rewards include annual incentive awards under our MIP, PSU awards and gains on stock option exercises.

Business-Related Use of Corporate Aircraft

In certain circumstances, our NEOs may have access to Company aircraft to attend board meetings of other companies for which they serve as directors. In those instances, income is imputed to and taxable to the NEO, and no tax gross-up is provided. In other limited situations, our NEOs and their spouses may travel on Company aircraft to attend events for a business-related purpose that is nevertheless characterized for tax purposes as personal use. In those instances, income is imputed to and taxable to the NEO. The Company does not provide any tax gross-up payments to NEOs and does not permit use of the aircraft for vacation travel.

Compliance with Section 162(m) of the Internal Revenue Code

In designing our compensatory programs, we take into account the various tax, accounting and disclosure rules associated with various forms of compensation. The Compensation Committee also reviews and considers the deductibility of executive compensation under section 162(m) of the Internal Revenue Code. The Committee generally seeks to preserve tax deductions for executive compensation. Nonetheless, the Committee has awarded compensation that is not fully tax deductible when it believes such grants are in the best interests of our shareholders and reserves the right to do so in the future. There is no guarantee that compensation payable pursuant to any of the Company's compensation programs will ultimately be deductible by the Company.

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board of Directors reviewed and discussed the Compensation Discussion and Analysis with Darden's management. Based on this review and discussion, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and incorporated by reference into the Company's Annual Report on Form 10-K for the fiscal year ended May 25, 2014.

Respectfully submitted,

The Compensation Committee

Charles A. Ledsinger, Jr., Chair

Michael W. Barnes

Dr. Leonard L. Berry

Michael D. Rose

Maria A. Sastre

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EXECUTIVE COMPENSATION

Summary Compensation Table

The table below summarizes the total compensation paid or earned by each of the NEOs for the fiscal years ended May 25, 2014, May 26, 2013, and May 27, 2012.

Name and Principal Position	Year	Salary (\$)(1)	Bonus (\$)(1)(2)	Stock Awards (\$)(3)	Option Awards (\$)(3)	Non-Equity Incentive Plan Compensation (\$)(1)(4)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings (\$)(5)	All Other Compensation (\$)(1)(6)	Total
Clarence Otis, Jr. (7) Chairman and Chief Executive Officer	2014	1,204,512	—	1,785,803	2,827,192	732,344	—	430,296	6,980,147
	2013	1,168,885	—	1,874,936	2,806,494	0 (8)	—	500,213	6,350,528
	2012	1,126,654	—	1,950,904	3,192,123	1,438,174	—	376,402	8,084,257
Eugene I. Lee, Jr. (9) President and Chief Operating Officer	2014	658,317	—	610,588	966,538	337,570	—	137,578	2,710,591
	2013	565,577	—	433,602	649,029	255,732	—	152,956	2,056,896
	2012	549,054	—	471,643	771,726	663,344	—	162,571	2,618,338
C. Bradford Richmond Senior Vice President and Chief Financial Officer	2014	542,842	—	446,451	706,795	198,030	—	206,796	2,100,914
	2013	530,988	—	468,722	701,624	77,100	—	200,149	1,978,583
	2012	515,481	—	443,399	725,484	394,806	—	209,932	2,289,102
Kim A. Lopdrup CEO Elect, Red Lobster	2014	591,173	—	531,560	841,458	303,870	—	158,149	2,426,210
Andrew H. Madsen (10) Former President and Chief Operating Officer	2014	429,831	—	857,197	1,357,054	206,319	—	756,426	3,606,827
	2013	844,065	—	899,969	1,347,121	139,271	—	438,929	3,669,355
	2012	819,292	—	979,015	1,601,867	784,731	—	495,230	4,680,135
David T. Pickens (11)	2014	572,427	—	377,074	596,970	196,517	—	255,107	1,998,095

Former Senior Vice President and Chief Restaurant Operations Officer	2013	561,569	—	433,602	649,029	14,083	—	245,988	1,904,271
	2012	552,142	—	574,215	939,496	519,556	—	319,110	2,904,519

Amounts reflect the actual base salary paid and incentives earned by the NEO in fiscal 2014, fiscal 2013 and fiscal (1)2012, including any deferred amounts reported in the Non-Qualified Deferred Compensation Table. We have a 52/53 week fiscal year ending the last Sunday in May. Our 2014, 2013 and 2012 fiscal years all had 52 weeks.

The Company made variable incentive payments for fiscal 2014, fiscal 2013 and fiscal 2012 based on achieving (2)performance metrics that were established under the Company's MIP. These incentive payments are reported in the "Non-Equity Incentive Plan Compensation" column of this table.

Amounts in these columns represent the grant date fair value of awards computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation ("ASC Topic 718") for each of fiscal 2014, fiscal 2013 and fiscal 2012. The assumptions used in calculating these amounts in accordance with ASC Topic 718 are included in Note 1 (under the heading Stock-Based Compensation) to the Company's audited financial statements included in the Company's 2014 Annual Report to Shareholders. The (3)PSUs granted in fiscal 2014 will vest after the 2016 fiscal year-end, based on our diluted net earnings per share and sales growth performance for fiscal 2014 and based on our free cash flow, sales growth and total shareholder return relative to the Standard & Poor's 500 index for fiscal 2015 and 2016. The grant value of PSUs is shown at target payout. Actual awards may range from 0 percent to 150 percent of the targeted incentive. For fiscal 2014, the following amounts represent the grant date fair value of PSU awards assuming achievement of maximum (150%) payout: Mr. Otis—\$2,678,704; Mr. Lee—\$915,882; Mr. Richmond—\$669,676; Mr. Lopdrup—\$797,340; Mr. Madsen—\$1,285,795 and Mr. Pickens—\$565,611. For fiscal

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2013, the following amounts represent the grant date fair value of PSU awards assuming achievement of maximum (150%) payout: Mr. Otis—\$2,812,404; Mr. Lee—\$650,403; Mr. Richmond—\$703,083; Mr. Madsen—\$1,349,954 and Mr. Pickens—\$650,403. For fiscal 2012, the following amounts represent the grant date fair value of PSU awards assuming achievement of maximum (150%) payout: Mr. Otis—\$2,926,357; Mr. Lee—\$707,465; Mr. Richmond—\$665,099; Mr. Madsen—\$1,468,522 and Mr. Pickens—\$861,322.

(4) Amounts in this column are awards earned under the MIP for fiscal 2014, fiscal 2013 and fiscal 2012 and were determined based on the NEO's actual salary earned, his target bonus opportunity which varies by position and level, his individual performance rating and his Company and/or unit performance rating which is determined by performance against goals established at the beginning of each fiscal year. The grant of annual incentives under the MIP is described in greater detail in "Compensation Discussion and Analysis—Elements of Our Total Rewards Program—Annual Incentives."

(5) Amounts deferred into the FlexComp Plan do not receive above market or preferential earnings, but rather receive rates of return that match the returns on the investment options available under the Darden Savings Plan as described under the heading "Non-Qualified Deferred Compensation."

(6) All Other Compensation for fiscal 2014 consists of the following amounts:

Name	Perks and Other Personal Benefits (\$)(a)	Company Contributions to Defined Contribution Plans (\$)(b)	Insurance Premiums (\$)(c)	Dividends or Earnings on Stock or Option Awards (\$)(d)	Other (\$)(e)	Totals (\$)
Clarence Otis, Jr.	120,257	108,464	10,343	191,048	184	430,296
Eugene I. Lee, Jr.	37,190	55,770	6,863	37,571	184	137,578
C. Bradford Richmond	27,724	129,134	10,395	39,359	184	206,796
Kim A. Lopdrup	44,734	50,122	10,343	52,529	421	158,149
Andrew H. Madsen	71,793	138,363	5,408	107,762	433,100	756,426
David T. Pickens	27,063	166,092	10,395	51,557	—	255,107

(a) Includes the aggregate incremental costs to the Company for personal use of a Company car and Company aircraft, an annual executive physical, a limited allowance toward a Company car, financial counseling, and a nominal cash award in lieu of any other perquisites. None of these perquisites had a value exceeding the greater of \$25,000 or 10 percent of total perquisites for an NEO except the value of aggregate incremental cost of the Company aircraft of \$87,849 for Mr. Otis. Darden's policy is to leverage Company aircraft for business and business-related travel. The value of the aggregate supplemental incremental cost of the Company aircraft shown above relates to attendance at external board meetings, executive development conferences and executive networking forums, which benefit Darden but are considered by the tax and SEC rules to be personal use. Darden does not allow use of the Company aircraft for leisure or vacation purposes. The Company calculates the aggregate incremental cost of the personal use of Company aircraft based on an hourly charge that includes the cost of fuel, trip-related maintenance, crew travel, onboard catering, landing and license fees and contract labor. Since the Company aircraft is primarily for business travel, we do not include the fixed costs that do not change based on usage such as pilots' salaries, the cost to purchase the aircraft and the cost of maintenance not related to trips. Family members of executives and their invited guests occasionally fly on Company aircraft as additional passengers on business flights or on business-related flights that may be characterized as personal use. In those cases, the aggregate incremental cost to the Company for the family member or guest is de minimis.

(b)

Amounts in this column represent Company contributions made in August 2014 for fiscal 2014 Company performance under the FlexComp Plan, our non-qualified deferred compensation plan. Company contributions are made under the provisions of the FlexComp Plan and are deferred in accordance with participants' elections pursuant to the terms of the FlexComp Plan, except that the amount shown for Mr. Madsen which was not deferred pursuant to the FlexComp Plan. These Company contributions are included in the "All Other Compensation" column. Salary or bonus deferred by an NEO into the FlexComp Plan is reported in the "Salary" column or the "Non-Equity Incentive Plan Compensation" column.

(c) Represents the cost to the Company for providing life insurance and long-term disability insurance.

Since May 31, 2009, our NEOs do not receive dividends or dividend equivalents on unvested restricted stock units (d) or PSUs, but rather accrue them for payment when the units or PSUs are earned and vested and only on units or PSUs that actually vest.

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Each NEO, other than Mr. Pickens, received a non-cash award associated with the annual celebration for the Company's top-performing general managers. Mr. Madsen also received payments under his retirement agreement (e) with the Company. See "Other Named Executive Officer Compensation - Retired NEOs" in the Compensation Discussion and Analysis and "Potential Payments Upon Termination or Change in Control" for information regarding the agreements between Mr. Madsen and the Company regarding his retirement during fiscal 2014.

(7) Mr. Otis stepped down from his position as Chairman, effective July 28, 2014 but continues in his position as CEO until the earlier of the appointment of his successor or December 31, 2014.

(8) The actual fiscal 2013 MIP bonus approved by the Board for Mr. Otis was \$270,012, but he had previously elected to forgo the award.

(9) See "Potential Payments Upon Termination of Change of Control—Agreement with Mr. Lee" below for information regarding the agreement between Mr. Lee and the Company in connection with the RARE acquisition.

Messrs. Madsen and Pickens retired during fiscal 2014 to facilitate the Company's organizational redesign and talent planning. In connection with Mr. Madsen's retirement on November 22, 2013, the Company entered into an agreement with Mr. Madsen. Under the agreement, for approximately twenty-one months following his retirement, Mr. Madsen will receive his regular weekly gross base salary. In connection with Mr. Pickens's retirement, on May 25, 2014, the Company entered into an agreement with Mr. Pickens. Under the agreement, for approximately eighteen months following his retirement, Mr. Pickens will receive his regular weekly gross base salary. In addition, both Mr. Madsen and Mr. Pickens will remain eligible to participate in medical, dental, and (10) vision programs similar to their current coverage levels, and will continue to vest in existing equity awards in accordance with the terms of the applicable award agreements and will retain certain other ancillary benefits for limited periods, including physical examination and financial counseling benefits. The agreements include customary confidentiality, non-solicitation, non-competition, non-disparagement and release provisions. See "Other Named Executive Officer Compensation - Retired NEOs" in the Compensation Discussion and Analysis and "Potential Payments Upon Termination or Change in Control" for information regarding the agreements between Mr. Madsen and the Company regarding his retirement during fiscal 2014 and between Mr. Pickens and the Company in connection with his retirement at the end of fiscal 2014.

Grants of Plan-Based Awards for Fiscal 2014

Management and Professional Incentive Plan. Annual and long-term incentive awards are granted by the Committee to executive officers under the MIP, and in the case of equity and equity-based awards, the 2002 Plan described below. Awards are a combination of cash, stock or stock-based awards, or PSUs. The criteria for awards pursuant to the MIP are described under "Compensation Discussion and Analysis—Elements of Our Total Rewards Program—Annual Incentives" and "—Long-term Incentives."

2002 Plan. The 2002 Plan provides for the grant of stock options, stock appreciation rights ("SARs"), restricted stock, restricted stock units, performance awards and other stock and stock-based awards to employees, officers, consultants, advisors and independent directors providing services to the Company or any of our affiliates that the Committee determines is an eligible person. Up to an aggregate of 25,100,000 shares of our common stock can be issued pursuant to awards granted under the 2002 Plan, subject to adjustment pursuant to a stock split or other recapitalization in order to prevent dilution or enlargement of the benefits intended under the 2002 Plan. As of May 25, 2014, approximately 7,694,000 shares of common stock remained available for future awards under the 2002 Plan.

The following table sets forth certain information with respect to equity and non-equity plan-based awards granted during fiscal 2014 under the MIP and the 2002 Plan to each of the NEOs.

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Name	Grant Date (1)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (2)			Estimated Future Payouts Under Equity Incentive Plan Awards (3)			All Other Stock Awards: Number of Shares or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)(4)	Exercise Price of Option Awards (\$/Sh)(5)	Grant Date Fair Value of Stock and Option Awards (6)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Clarence Otis, Jr.	7/24/13	0	1,204,512	3,613,535	0	36,912	55,368	—	234,233	48.38	4,612,995
Eugene I. Lee, Jr.	7/24/13	0	442,106	1,326,317	0	8,536	12,804	—	54,169	48.38	1,066,792
	9/25/13	0	354,704	1,064,112	0	4,296	6,444	—	27,264	46.00	510,334
C. Bradford Richmond	7/24/13	0	325,705	977,116	0	9,228	13,842	—	58,558	48.38	1,153,246
Kim A. Lopdrup	7/24/13	0	354,704	1,064,112	0	8,536	12,804	—	54,169	48.38	1,066,792
	9/25/13	0	322,373	967,119	0	2,578	3,867	—	16,359	46.00	306,226
Andrew H. Madsen	7/24/13	0	322,373	967,119	0	17,718	26,577	—	112,432	48.38	2,214,251
David T. Pickens	7/24/13	0	343,456	1,030,368	0	7,794	11,691	—	49,459	48.38	974,044

(1) The grant for Mr. Otis was recommended by the Committee and approved by the independent members of the Board and the grants made to the other NEOs were approved by the Committee.

The amounts in these columns represent the potential annual cash incentive that may be earned under the MIP by each NEO. The annual ranges are calculated with the actual salary earned during the fiscal year and the target bonus opportunity for each NEO in effect during the fiscal year. Where the NEO's target bonus opportunity changes during the fiscal year (for example, in the event of a promotion), the target bonus opportunity is based on a proration using the target bonus opportunity in effect for each portion of the fiscal year, and such proration is used in the actual bonus award calculation. Actual payouts to the NEOs based on fiscal 2014 performance are reported under the "Non-Equity Incentive Plan Compensation" column in the Summary Compensation Table.

(3) The NEOs received grants of PSUs under the 2002 Plan. These units will vest only if certain performance thresholds relating to sales growth, diluted net earnings per share growth, free cash flow, and total shareholder return measures are achieved. The units have the ability to vest at the end of a three-year performance period. When performance exceeds targeted results, additional units vest; conversely, when performance is below targeted

levels, fewer or no units vest. These PSUs are described more fully under the heading “Compensation Discussion and Analysis—Elements of Our Total Rewards Program—Long-term Incentives.”

- (4) The NEOs received grants of non-qualified stock options under the 2002 Plan. These non-qualified stock options vest 50 percent on the third and fourth anniversaries of the grant date.

All stock options are granted with an exercise price equal to the fair market value of our common stock on the date of grant. Fair market value under the 2002 Plan has been determined by the Committee to be the closing price of (5) the common stock on the NYSE as reported in the consolidated transaction reporting system on the grant date or, if such exchange is not open for trading on such date, on the most recent preceding date when such exchange is open for trading.

- (6) Assumptions used in the calculation of these amounts are included in Note 1 to the Company’s audited financial statements included in the Company’s 2014 Annual Report to Shareholders.

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Outstanding Equity Awards at Fiscal Year-End

The following table summarizes the total outstanding equity awards as of May 25, 2014 for each of the NEOs.

Name	Grant Date	Option Awards (1)				Stock Awards		PSU Awards	
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock Held That Have Not Vested (#)(2)	Market Value of Shares or Units of Stock Held That Have Not Vested (\$)(2)	Number of Shares, Units or Rights That Have Not Vested (#)(3)	Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)(3)
Clarence Otis, Jr.	11/29/2004	75,000	—	27.22	11/29/2014				
	6/16/2005	175,000	—	33.10	6/16/2015				
	6/15/2006	152,711	—	35.81	6/15/2016				
	7/25/2007	126,042	—	42.68	7/25/2017				
	7/23/2008	234,481	—	33.44	7/23/2018				
	7/29/2009	268,901	—	32.55	7/29/2019				
	7/28/2010	105,971	105,972	42.58	7/28/2020				
	7/27/2011	—	222,138	51.26	7/27/2021				
	7/25/2012	—	229,664	49.05	7/25/2022				
	7/24/2013	—	234,233	48.38	7/24/2023				
						16,460	815,593	113,196	5,608,862
Eugene I. Lee, Jr.	10/1/2007	129,055	—	43.00	10/1/2017				
	7/29/2009	64,964	—	32.55	7/29/2019				
	7/28/2010	25,620	25,620	42.58	7/28/2020				
	7/27/2011	—	53,704	51.26	7/27/2021				
	7/25/2012	—	53,112	49.05	7/25/2022				
	7/24/2013	—	54,169	48.38	7/24/2023				
	9/25/2013	—	27,264	46.00	9/25/2023				
						—	—	30,873	1,529,757
C. Bradford Richmond	6/15/2006	14,762	—	35.81	6/15/2016				
	12/1/2006	23,114	—	40.04	12/1/2016				
	7/25/2007	38,863	—	42.68	7/25/2017				
	7/23/2008	58,620	—	33.44	7/23/2018				
	7/29/2009	67,225	—	32.55	7/29/2019				
	7/28/2010	24,084	24,085	42.58	7/28/2020				
	7/27/2011	—	50,486	51.26	7/27/2021				

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7/25/2012	—	57,416	49.05	7/25/2022				
7/24/2013	—	58,558	48.38	7/24/2023				
					1,813	89,834	27,434	1,359,355

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Name	Option Awards (1)					Stock Awards		PSU Awards	
	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Restricted Stock Number of Shares or Units of Stock Held That Have Not Vested (#)(2)	Market Value of Shares or Units of Stock Held That Have Not Vested (\$)(2)	Number of Unearned Shares, Units or Rights That Have Not Vested (#)(3)	Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)(3)
Kim A. Lopdrup	6/16/2005	66,500	—	33.10	6/16/2015				
	6/15/2006	51,794	—	35.81	6/15/2016				
	7/25/2017	42,749	—	42.68	7/25/2017				
	7/23/2008	59,646	—	33.44	7/23/2018				
	7/29/2009	65,010	—	32.55	7/29/2019				
	7/28/2010	25,620	25,620	42.58	7/28/2020				
	7/27/2011	—	53,704	51.26	7/27/2021				
	7/25/2012	—	53,112	49.05	7/25/2022				
	7/24/2013	—	54,169	48.38	7/24/2023				
	9/25/2013	—	16,359	46.00	9/25/2023				
						6,376	315,931	29,155	1,444,630
Andrew H. Madsen	6/16/2005	94,375	—	33.10	6/16/2015				
	6/15/2006	112,395	—	35.81	6/15/2016				
	7/25/2007	92,767	—	42.68	7/25/2017				
	7/23/2008	129,433	—	33.44	7/23/2018				
	7/29/2009	134,940	—	32.55	7/29/2019				
	7/28/2010	53,178	53,179	42.58	7/28/2020				
	7/27/2011	—	111,473	51.26	7/27/2021				
	7/25/2012	—	110,239	49.05	7/25/2022				
7/24/2013	—	112,432	48.38	7/24/2023					
						13,535	670,659	55,165	2,733,426
David T. Pickens	11/29/2004	30,000	—	27.22	11/29/2014				
	6/16/2005	66,500	—	33.10	6/16/2015				
	6/15/2006	59,430	—	35.81	6/15/2016				
	7/25/2007	44,692	—	42.68	7/25/2017				
	7/23/2008	62,357	—	33.44	7/23/2018				
	7/29/2009	65,010	—	32.55	7/29/2019				
	7/28/2010	25,620	25,620	42.58	7/28/2020				

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7/27/2011	—	65,379	51.26	7/27/2021				
7/25/2012	—	53,112	49.05	7/25/2022				
7/24/2013	—	49,459	48.38	7/24/2023				
					6,333	313,800	27,836	1,379,274

All option awards are non-qualified stock options that expire ten years from the date of grant. Except where noted, (1) the vesting schedule for the non-qualified stock options granted to NEOs is 50 percent on the third and fourth anniversaries of the grant date.

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All shares reflected in this column represent the awards of performance restricted stock granted in fiscal years 2004 through 2006. The performance restricted stock awards fully vest in ten years and have the opportunity to accelerate vesting in each of the first five anniversaries following the grant date when performance goals are achieved. The market value of the performance restricted stock awards is based on a per share value of \$49.55, the closing market price of our common shares on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014.

All units reflected in this column represent PSU awards granted in fiscal years 2012, 2013 and 2014. The terms of the PSU awards are more fully described in footnote 3 of the Grants of Plan-Based Awards for Fiscal 2014 table. The market value of outstanding stock awards is based on a per share (or unit) value of \$49.55, the closing market price of our common shares on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014.

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Option Exercises and Stock Vested for Fiscal 2014

The following table summarizes the number of option awards exercised and restricted stock that vested during fiscal 2014 for each of the NEOs.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)(2)
Clarence Otis, Jr.	80,000	2,617,392	2,200	115,764
Eugene I. Lee, Jr.	3,305	62,696	—	—
C. Bradford Richmond	30,750	751,994	421	22,187
Kim A. Lopdrup	63,000	1,738,939	905	47,929
Andrew H. Madsen	175,625	4,301,774	1,925	101,294
David T. Pickens	31,500	897,782	916	48,234

The value realized equals: (i) in the case of cashless option exercises, where all shares issued on exercise of the option are immediately sold, the difference between the exercise price and the actual sales price of the shares, (1) multiplied by the number of shares sold, and (ii) in the case of all other option exercises, the difference between the exercise price and the closing market price of our common stock on the NYSE on the date of exercise, multiplied by the number of shares acquired on exercise.

(2) The value realized equals the closing market price of our common stock on the NYSE on the vesting date multiplied by the number of shares acquired on vesting.

Pension Benefits

Under the Retirement Income Plan (“RIP”), Mr. Richmond and Mr. Pickens will receive estimated monthly aggregate benefits at normal retirement of \$361 and \$1,434, respectively. Benefits are fixed because the NEOs no longer participate in the plans. All benefits are distributed in cash as monthly payments and are not eligible for lump sum distributions.

The table below shows the present value of accumulated benefits payable to each NEO, including the years of service credited to each NEO, under the RIP, determined using interest rate and mortality rate assumptions used in Note 17 to the Company’s audited financial statements included in the Company’s 2014 Annual Report to Shareholders. The numbers of credited service years shown below are fixed and do not reflect actual years of service as plan benefits are frozen. The accumulated benefit shown below is based on the highest benefit option which is “Single Life Annuity.” Other actuarially equivalent optional payouts include Joint and Survivor 50 percent, Joint and Survivor 100 percent, and Ten Year Certain. Early retirement benefits are available as early as age 55 at a reduced benefit level.

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$)	Payments During Last Fiscal Year (\$)
Clarence Otis, Jr.	—	—	—	—
Eugene I. Lee, Jr.	—	—	—	—
C. Bradford Richmond	Retirement Income Plan	7.10	32,552	—
Kim A. Lopdrup	—	—	—	—
Andrew H. Madsen	—	—	—	—
David T. Pickens	Retirement Income Plan	15.70	154,791	—

Our NEOs, along with other employees who are ineligible to participate in our qualified retirement plans, participate in the FlexComp Plan, which was designed to provide benefits in lieu of qualified retirement plans. The FlexComp Plan is described under the heading “Non-Qualified Deferred Compensation” below.

Non-Qualified Deferred Compensation

We maintain the FlexComp Plan, a non-qualified deferred compensation plan, for our executive officers and certain employees who are not eligible to participate in the Darden Savings Plan.

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The FlexComp Plan permits participating executive officers to defer receipt of up to 25 percent of their base salaries and up to 100 percent of their annual incentive compensation. Amounts deferred under the FlexComp Plan are payable in cash on the date or dates selected by the participant in accordance with the terms of the FlexComp Plan or on such other dates specified in the FlexComp Plan. Deferred amounts are credited with rates of return based on the performance of several investment alternatives (which mirror the returns credited in the Darden Savings Plan, the Company's qualified 401(k) savings plan), as selected by the participant.

We also make certain contributions to executive officers' accounts under the FlexComp Plan which are designed to provide benefits in lieu of qualified retirement and savings plans. One portion of our annual contribution to the FlexComp Plan ranges from 1.5 percent to 7.2 percent of the executive officer's eligible annual earnings based on Company performance as described in "Compensation Discussion and Analysis—Elements of Our Total Rewards Program—Other Benefits—Non-Qualified Deferred Compensation Plans." For executive officers other than the CEO hired on or prior to June 25, 2000, which includes all of the NEOs in the Summary Compensation Table except Mr. Otis, Mr. Lee and Mr. Lopdrup, the second portion of our annual contribution ranges from 2 percent to 20 percent of the executive officer's eligible annual earnings, based on the NEO's age and, if applicable, the years of service during which the NEO was covered by our qualified retirement plan. The CEO and other executive officers hired after June 25, 2000, receive an annual contribution of 4 percent of the executive officer's eligible annual earnings in place of the age and service contributions. These contribution amounts are deferred in accordance with participants' elections and the terms of the FlexComp Plan.

Participants may elect to have the contributions credited with rates of return based on several investment alternatives, which mirror the returns credited in the Darden Savings Plan. Except for the Darden Company Stock Fund, investment selections may be changed daily. The FlexComp Plan does not have a guaranteed rate of return or guaranteed retirement benefit. The table below shows the funds available under the Darden Savings Plan and their rate of return for the twelve months ended May 31, 2014, the reportable fund performance period that most closely matched our fiscal year, as reported by the administrator of the Darden Savings Plan.

Deferred amounts under the FlexComp Plan are generally paid following separation from employment and are normally made in the form of a single sum cash payment. Participants may also elect to be paid in the form of 5-year or 10-year annual installment payments.

Name of Fund	Rate of Return	Name of Fund	Rate of Return
TAMRO Small Cap Collective Trust	6.81%	Vanguard Target Retirement 2025 Trust II	14.00%
American Funds EuroPacific Growth	17.48%	Vanguard Target Retirement 2030 Trust II	15.25%
Darden Company Stock Fund	1.13%	Vanguard Target Retirement 2035 Trust II	16.53%
Darden ESOP Stock Fund	0.99%	Vanguard Target Retirement 2040 Trust II	17.41%
Davis New York Venture Institutional Trust R2*	18.37%	Vanguard Target Retirement 2045 Trust II	17.41%
Harbor Capital Appreciation (I)**	24.54%	Vanguard Target Retirement 2050 Trust II	17.37%
PIMCO Total Return Fund (I)	1.75%	Vanguard Target Retirement 2055 Trust II	17.36%
Columbia Trust Stable Government Fund I-10	1.01%	Vanguard Target Retirement 2060 Trust II	17.43%
Vanguard Extended Market Index Institutional	20.37%	Vanguard Target Retirement Income Trust II	7.13%
Vanguard Institutional Index Fund Institutional	20.40%	Vanguard Total Bond Market Index Signal	2.44%
Vanguard Target Retirement 2010 Trust II	8.86%	Vanguard Total International Stock Index Signal	15.83%
Vanguard Target Retirement 2015 Trust II	11.12%	Wellington Trust Mid Cap Opp Series 3**	23.23%
Vanguard Target Retirement 2020 Trust II	12.72%		

*The Davis New York Venture Institutional Trust R2 fund was terminated from the Darden Savings Plan during the fiscal year and thus is no longer an investment option in the FlexComp Plan; the rate of return shown is over the full

twelve month reporting period and is approximated with the Davis New York Venture Fund Y.

**The Harbor Capital Appreciation (I) and Wellington Trust Mid Cap Opp Series 3 funds were terminated from the Darden Savings Plan during the fiscal year and thus are no longer investment options in the FlexComp Plan; the rate of return shown is over the full twelve month reporting period.

The following table provides additional information concerning the FlexComp Plan account for each NEO, including the contributions by Darden to the FlexComp Plan during fiscal 2014 and the aggregate FlexComp balance as of the end of fiscal 2014 on May 25, 2014.

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Name	Executive Contributions in Last FY (\$) (1)	Company Contributions in Last FY (\$) (2)	Aggregate Earnings in Last FY (\$)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at end of FY 2014 (\$)
Clarence Otis, Jr.	—	72,822	291,787	—	5,322,180
Eugene I. Lee, Jr.	—	51,168	79,575	180,573	1,183,441
C. Bradford Richmond	102,384	102,341	427,461	—	3,490,327
Kim A. Lopdrup	—	40,620	74,202	—	576,803
Andrew H. Madsen	—	206,796	334,243	—	5,930,612
David T. Pickens	—	127,967	209,158	—	3,065,339

(1) Reflects the deferred amounts for each of the NEOs which is reported as compensation to such NEO in the Summary Compensation Table under the “Salary” column.

(2) Reflects the Company’s annual contribution to the FlexComp Plan made in July 2013 during fiscal 2014 for the account of the NEOs. The Company contributions made in July 2014 during fiscal 2015 are not reported in this table.

Potential Payments Upon Termination or Change of Control

The Company has entered into MCAs with its NEOs discussed below under “Payments Made Upon a Change of Control” in addition to an agreement with Mr. Lee, discussed below under “Agreement with Mr. Lee.” To facilitate the Company’s organizational redesign and talent planning, the Company entered into retirement agreements with Messrs. Madsen and Pickens, discussed under “Other Named Executive Officer Compensation - Retired NEOs” in the Compensation Discussion and Analysis and “Benefits and Payments Upon Termination Delivered to NEOs Retired During Fiscal 2014” table below. The Company’s typical practice is not to enter into employment agreements with the NEOs. The following summarizes the potential payments to be made to NEOs upon termination of their employment or a change of control of the Company.

Payments Made Upon Any Termination of Employment. Regardless of the manner in which an NEO’s employment terminates, the NEO is entitled to receive amounts earned during the NEO’s term of employment. Such amounts include:

• Accrued but unpaid base salary through the date of termination;

• Long-term incentive grants for the most recently completed cycle;

• Unreimbursed employment-related expenses and other benefits owed to the NEO under the Company’s employee benefit plans or policies;

• Accrued but unpaid vacation; and

• The NEO’s Darden Savings Plan and FlexComp Plan account balances.

These payments made upon termination do not differ from payments made upon termination to all employees. In addition, the NEO will continue to be able to exercise any vested stock options for a period of three months following termination of employment, or for a longer period if the NEO is eligible for early or normal retirement or in certain other situations described below.

Payments Made Upon Early Retirement. In the event of the early retirement of an NEO who has reached age 55 with ten or more years of service, in addition to the items identified under the heading “Payments Made Upon Any Termination of Employment”:

• The NEO will be allowed to exercise any outstanding stock options granted prior to June 15, 2006 for the remainder of the original term;

- The NEO will be entitled to receive a pro-rated share of each option granted from and after June 15, 2006, and be allowed to exercise such option for the lesser of five years or the remainder of the original term;

• The NEO will continue to vest in grants of restricted stock for the remainder of the original term provided required deposit shares are held for grants made prior to June 2006;

• The NEO will continue to vest in a pro-rated share of grants of PSUs granted after July 29, 2009 based on Company performance for the remainder of the original PSU performance period;

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• The NEO will be eligible to continue to receive health benefits through our retiree medical program, with a portion of the premiums paid by the NEO;

• The Company will reimburse the NEO for up to one year's allowance of financial planning services incurred in the subsequent year;

• The NEO will be entitled to receive a distribution of any balance held under the qualified savings plan (the Darden Savings Plan) if applicable; and

• The NEO will receive a monthly benefit under the qualified retirement plan (the "RIP") if applicable.

• Salary and benefit continuation for a specified period of time may be awarded in certain circumstances.

Payments Made Upon Normal Retirement. In the event of the retirement of an NEO who has reached age 65 with five or more years of service, in addition to the items identified under the heading "Payments Made Upon Any Termination of Employment":

• The NEO will vest in all outstanding stock options and be allowed to exercise such stock options for the remainder of the original term;

• The NEO will continue to vest in grants of restricted stock for the remainder of the original term provided required deposit shares are held for grants made prior to June 2006;

• The NEO will continue to vest in grants of PSUs based on Company performance for the remainder of the original PSU performance period;

• The NEO will be eligible to continue to receive health benefits through our retiree medical program, with a portion of the premiums paid by the NEO;

• The Company will reimburse the NEO for up to one year's allowance of financial planning services incurred in the subsequent year; and

• The NEO will be entitled to receive a distribution of any balance held under the qualified savings plan (the Darden Savings Plan) if applicable, and will receive a monthly benefit under the RIP, if applicable.

Payments Made Upon Disability. The Company pays for long-term disability coverage for the NEOs and the amount paid for the insurance is included in the "All Other Compensation" column in the Summary Compensation Table. In the event of disability, the NEO will receive the items identified under the heading above "Payments Made Upon Any Termination of Employment." In addition, the NEO is entitled to the following benefits, which are also available to employees with disability coverage:

• Up to two-thirds of eligible pay with a maximum annual benefit of \$180,000 payable to age 65;

• Continued eligibility for group medical coverage; and

• Continued life insurance and Company retirement contributions up to age 65.

Payments Made Upon Death. The Company pays for life insurance coverage for the NEOs and the amount paid for the insurance is included in the "All Other Compensation" column in the Summary Compensation Table. The life insurance benefit for the NEOs is equal to four times salary and bonus, with a maximum amount of coverage of \$1,500,000. For accidental death, the benefit is twice the amount of the regular coverage with a maximum amount of

coverage of \$3,000,000. An additional \$500,000 may be paid if death occurs while traveling on business. These benefits would be paid from term life insurance policies maintained by the Company. In the event of death, the estate of the NEO will receive the items identified under the heading above entitled "Payments Made Upon Any Termination of Employment."

Stock options and restricted stock will vest pro-rata based on the number of full months completed in the vesting period and stock options will be exercisable for the remainder of the original term. Stock options, restricted stock, and PSUs granted on or after June 15, 2006 will vest in full and stock options granted on or after June 15, 2006 will be exercisable for the lesser of five years or the remainder of the original term.

Payments Made Upon Involuntary Termination Without Cause. In general, the Company may, but is not obligated to, provide separation pay and benefits to its employees in the event the employee is involuntarily terminated without cause or resignation. If provided, the separation pay and benefits available are generally contingent upon the Company receiving a general release of claims from the employee. In addition to the items identified under the heading above entitled "Payments Made Upon Any Termination of Employment," such benefits to an executive officer may include severance payments of up to 24 months' base

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salary and continued vesting of any outstanding equity during the severance period, among other benefits as the Company may determine to be appropriate under the specific circumstances.

If the executive's age plus his years of service equals or exceeds 70 and the executive is involuntarily terminated without cause, accelerated vesting will be applied to a pro-rata portion of the outstanding stock options and PSUs granted on or after July 1, 2009. Stock options granted between March 21, 2001 and June 14, 2006 will be exercisable for the lesser of two years or the remainder of the original term; stock options granted on or after June 15, 2006 will be exercisable for the lesser of five years or the remainder of the original term.

Payments Made Upon a Change of Control. We have MCAs with all of our NEOs (excluding retired NEOs), which provide for severance payments equal to three times the amount of annual compensation (determined by the then-current base salary plus average cash bonus award during the preceding three years) and continuation of health and similar benefits for a three-year period if the executive officer is terminated without cause or voluntarily terminates employment with good reason within two years after a change of control. If the severance payments the executive officer would otherwise be entitled to receive would require the payment of excise taxes, then the amount of severance payments is reduced to the point that it eliminates by a margin of \$1,000 any liability for such excise taxes, unless the severance payments provided under the agreement (with the executive bearing all responsibility for taxes) provides a net payment to the executive that is at least 10 percent higher than the net reduced amount. The MCAs provide for an initial two-year term, and are extended on each anniversary date for two years from the anniversary date, unless prior notice is given by us that the agreement will not be extended. Under the MCA, "Change of Control" means:

Any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") becomes the beneficial owner (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20 percent or more of either (i) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this section, the following acquisitions shall not constitute a Change of Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any company controlled by, controlling or under common control with the Company (an "Affiliated Company") or (D) any business combination pursuant to a transaction where (i) all or substantially all of the beneficial owners of Outstanding Company Common Stock immediately prior to the business combination beneficially own more than 50% of the then-outstanding shares of common stock of the entity resulting from the business combination in substantially the same proportion as immediately prior to the business combination, (ii) no person beneficially owns 20% or more of the common stock of the entity resulting from the business combination, except to the extent that such ownership existed prior to the business combination, and (iii) at least a majority of the Board members of the entity resulting from the business combination were members of the incumbent Board at the time of the execution of the initial agreement or action of the board approving the business combination;

Individuals who, as of the effective date of the revised standard form of MCA, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date thereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (accordingly, if Starboard proceeds with its contested solicitation and a sufficient number of its nominees become members of the Board such that the Incumbent Board fails to constitute at least a majority of the Board, a Change of Control shall be deemed to have occurred under the MCA and for purposes of the change of control provisions of certain equity plans and/or award agreements and trust agreements (as

described below) under which our NEOs have awards);

Consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or securities of another entity by the Company or any of its subsidiaries (each, a “Business Combination”), in each case unless, following such Business Combination, (i) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50 percent of the then-outstanding shares of common stock (or, for a non-corporate entity,

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equivalent securities) and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors (or, for a non-corporate entity, equivalent governing body), as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 20 percent or more of, respectively, the then-outstanding shares of common stock (or, for a non-corporate entity, equivalent securities) of the entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such entity, except to the extent that such ownership existed prior to the Business Combination, and (iii) at least a majority of the members of the board of directors (or, for a non-corporate entity, equivalent governing body) of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.
Under the standard form of the MCAs, "Cause" means:

An act or acts of fraud or misappropriation on the executive officer's part which result in or are intended to result in the executive officer's personal enrichment at the expense of the Company and which constitute a criminal offense under state or federal laws; or

Conviction of the executive officer of a felony.

Under the standard form of the MCAs, "Good Reason" means, without the express written consent of the executive:

The assignment to the executive officer of any duties inconsistent in any substantial respect with the executive officer's position, authority or responsibilities as in effect during the 90-day period immediately preceding the effective date of the agreement;

Any other substantial adverse change in such position (including titles), authority or responsibilities;

Any failure by the Company to furnish the executive officer with base salary, target annual bonus opportunity, long-term incentive opportunity or aggregate employee benefits at a level equal to or exceeding those received by the executive officer from the Company during the 90-day period preceding the effective date of the agreement, other than (i) an insubstantial and inadvertent failure remedied by the Company promptly after receipt of notice thereof given by the executive officer or (ii) with respect to aggregate employee benefits only, any failure resulting from an across-the-board reduction in employee benefits generally applicable to all similarly situated employees;

The Company's requiring the executive officer to be based or to perform services at any office or location more than 30 miles from the office or location at which the executive officer was based as of immediately prior to the effective date of the agreement, except for travel reasonably required in the performance of the executive officer's responsibilities;

Any failure by the Company to obtain the assumption and agreement to perform the agreement by a successor; or

Any failure by the Company to deposit amounts in the trust in accordance with the agreement.

We also have entered into trust agreements to provide for payments under the MCAs and our non-qualified deferred compensation plans, including our Compensation Plan for Non-Employee Directors (the “Director Compensation Plan”) described below under “Equity Compensation Plan Information,” the MIP and the FlexComp Plan. Full funding is required upon a change of control of Darden. In addition, stock options, restricted stock, restricted stock units and PSUs issued under our stock plans are subject to accelerated vesting if we experience a change of control, as defined in those plans or related award agreements. The stock options will be exercisable for three months.

Agreement with Mr. Lee. We entered into an agreement with Mr. Lee dated August 13, 2007 in connection with the acquisition of RARE on October 1, 2007. The agreement extinguished most of Mr. Lee’s rights under his previous employment

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agreement with RARE, including the change in control provisions, but continued other provisions and confirmed the terms of his employment with Darden.

In consideration of benefits described in this paragraph, Mr. Lee relinquished his rights under his employment agreement with RARE; however, the non-competition, non-solicitation, and non-hire of employees and confidentiality covenants of his RARE agreement continue to apply during his employment with Darden and for specified periods thereafter. Specifically, he is subject to a non-solicitation of employees covenant and confidentiality covenant during his employment with Darden and for 24 months thereafter; and a non-competition covenant during his employment with Darden and for 18 months thereafter, and a non-hire of employees covenant during his employment with Darden and for 24 months thereafter. The agreement with Mr. Lee provides for benefits of an annual base salary of \$500,000, an annual bonus opportunity under Darden's MIP equal to 60 percent of base salary and an equity grant which had a grant date total value of \$2,861,400 and is now vested.

The table below reflects the amount of compensation payable to each of the NEOs, excluding Messrs. Madsen and Pickens, (i) under the current MCAs in the event of such executive officer's involuntary not-for-cause termination of employment or resignation with good reason following a change in control and (ii) under the agreement with Mr. Lee and pursuant to the Company's general practices, in the event of termination of such executive officer's employment upon voluntary termination, involuntary not-for-cause termination, involuntary for-cause termination and termination by death of the NEO. The amounts shown assume that such termination or change of control was effective as of May 25, 2014 and are estimates of the amounts that would be paid out to the executive officer upon their termination. The actual amounts to be paid out can only be determined at the time of such executive officer's separation from the Company. Except for the fiscal 2014 MIP and FlexComp Plan award, the tables do not reflect earned amounts identified under the heading "Payments Made Upon Any Termination of Employment." Items such as pension benefits payable under the qualified retirement plans and Darden Savings Plan or FlexComp Plan account balances are identified under the Pension Benefits Table and the Non-Qualified Deferred Compensation Table, respectively.

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Benefits and Payments Upon Termination	Voluntary Termination (\$)	Involuntary Not For Cause Termination (\$ (1))	Involuntary For Cause Termination (\$)	Involuntary Not for Cause Termination or Resignation for Good Reason (Change-in-Control) (\$)	Death (\$)
Clarence Otis, Jr. FY14 MIP Bonus (2)	—	—	—	—	—
FY14 FlexComp (Retirement Contribution)	67,453	67,453	67,453	67,453	67,453
(3) Cash Severance Benefit (4)	—	2,422,600	—	7,193,074	—
Accelerated Vesting of Stock-based Awards (5)	4,924,057	(6) 7,400,383	(7) —	6,643,539	7,262,406
Miscellaneous Benefits Excise Tax Gross-Up	154,860	168,083	154,860	460,037	(8) 1,500,000 (9)
Eugene I. Lee, Jr. FY14 MIP Bonus (2)	337,570	337,570	337,570	337,570	337,570
FY14 FlexComp (Retirement Contribution)	55,770	55,770	55,770	55,770	55,770
(3) Cash Severance Benefit (4)	—	1,225,000	—	3,795,376	—
Accelerated Vesting of Stock-based Awards (5)	—	1,749,341	(7) —	1,680,419	1,895,049
Miscellaneous Benefits Excise Tax Gross-Up	—	11,570	—	280,138	(8) 1,500,000 (9)
C. Bradford Richmond FY14 MIP Bonus (2)	198,030	198,030	198,030	198,030	198,030
FY14 FlexComp (Retirement Contribution)	129,134	129,134	129,134	129,134	129,134
(3) Cash Severance Benefit (4)	—	817,350	—	2,742,606	—
Accelerated Vesting of Stock-based Awards (5)	1,036,165	(6) 1,588,393	(7) —	1,512,408	1,685,020
Miscellaneous Benefits Excise Tax Gross-Up	230,947	240,864	230,947	495,887	(8) 1,500,000 (9)
Kim A. Lopdrup FY14 MIP Bonus (2)	303,870	303,870	303,870	303,870	303,870
FY14 FlexComp (Retirement Contribution)	50,122	50,122	50,122	50,122	50,122
(3) Cash Severance Benefit (4)	—	900,000	—	2,970,777	—
Accelerated Vesting of Stock-based Awards (5)	1,307,229	(6) 1,913,833	(7) —	1,869,675	1,969,499
Miscellaneous Benefits Excise Tax Gross-Up	100,754	110,671	100,754	271,963	(8) 1,500,000 (9)

(1)

Involuntary not for cause termination includes termination of the NEO's employment for any reason other than his or her violation of Company policy. It may also include retirements mutually agreed by the Company and the NEOs which benefit the organization overall, facilitating structure redesign and talent planning. Under such circumstances, each of the terminated NEOs must agree to certain restrictive covenants, such as stating they will not compete with the Company or solicit employees of the Company for a reasonable period following his or her termination of employment as a condition to receiving the payments illustrated in this column.

(2) Reflects the annual cash incentive, which is also included in the Summary Compensation Table.

(3) Reflects the annual FlexComp Plan award for fiscal 2014 paid in August 2014, which is also included in the Summary Compensation Table.

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These amounts represent the value of salary continuation during the severance period, which is based on a period (4) of twenty-four months for Mr. Otis, twenty-one months for Mr. Lee and eighteen months for Messrs. Richmond and Lopdrup.

This value is calculated based on the closing market price of \$49.55 of our common stock on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014. For stock options, this value (5) equals the difference between the closing market price of \$49.55 of our common stock on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014, and the exercise price, multiplied by the number of option shares subject to accelerated vesting upon termination.

(6) This amount represents the value of awards that would receive continued and accelerated prorated vesting because the NEOs qualify for early retirement (age 55 plus ten years of service) as of May 25, 2014.

This amount represents (i) the value of awards that would continue to vest during the severance period and, (ii) the vesting of a pro-rata portion of outstanding awards at the termination of the severance period because the NEOs (7) age plus years of service would equal or exceed 70 as of May 25, 2014. If this methodology had been used in last year's table in the 2013 proxy statement, the amounts for Messrs. Otis, Lee and Richmond would have been \$13,720,318, \$2,951,361, and \$3,009,397, respectively.

(8) Miscellaneous benefits include health, welfare and other continuation benefits, post-retiree medical benefits and FlexComp Plan benefits.

The maximum life insurance benefit for normal death is \$1,500,000; for accidental death, the maximum is (9) \$3,000,000; and an additional \$500,000 may be paid if death is attributable to death while traveling on business. These benefits would be paid from term life insurance policies.

In order to facilitate the Company's organizational redesign and talent planning, Messrs. Madsen and Pickens retired from the Company during fiscal 2014. The column labeled "Enhanced Retirement Agreement" in the table below reflects the amount of compensation payable to Messrs. Madsen and Pickens in connection with their retirements during fiscal 2014. Messrs. Madsen and Pickens have agreed that for a two-year period following their retirements, they will not participate in any service or business venture that competes with the Company and will not solicit employees of the Company, among other restrictions. The payments in the column labeled "Normal Retirement" are the amounts that would have been paid under standard provisions. See "Other Named Executive Officer Compensation - Retired NEOs" in the Compensation Discussion and Analysis for information regarding the agreements between Mr. Madsen and the Company and Mr. Pickens and the Company with respect to their respective retirements during fiscal 2014. Items such as pension benefits payable under the qualified retirement plans and Darden Savings Plan or FlexComp Plan account balances are identified under the Pension Benefits Table and the Non-Qualified Deferred Compensation Table, respectively.

Benefits and Payments Upon Termination Delivered to NEOs Retired During Fiscal 2014

Benefits and Payments Upon Termination	Andrew H. Madsen		David T. Pickens		
	Normal Retirement	Enhanced Retirement Agreement	Normal Retirement	Enhanced Retirement Agreement	
FY14 MIP Bonus (\$)	(1) 206,319	206,319	196,517	196,517	
FY14 FlexComp (Retirement Contribution) (\$)	(2) 138,363	138,363	166,092	166,092	
Cash Severance Benefit (\$)	—	1,515,850	—	861,900	
Accelerated Vesting of Stock-based Awards (\$)	2,780,549	(3) 3,635,216	(4) 1,412,374	(3) 1,849,549	(4)

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Miscellaneous Benefits (\$)	(5)	219,391	230,961	349,337	359,254
Excise Tax Gross-Up		—	—	—	—

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(1) Reflects the annual cash incentive, which is also included in the Summary Compensation Table. The annual cash incentive was prorated for Mr. Madsen who retired prior to the end of the fiscal year.

(2) Reflects the annual FlexComp Plan award for fiscal 2014 paid in August 2014, which is also included in the Summary Compensation Table. This award was prorated for Mr. Madsen who retired prior to the end of the plan year.

(3) This amount represents the value of awards that will receive continued and accelerated prorated vesting because the former NEOs qualify for early retirement (age 55 plus ten years of service) as of their retirement dates. This value is calculated based on the closing market price of \$49.55 of our common stock on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014. For stock options, this value equals the difference between the closing market price of \$49.55 of our common stock on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014, and the exercise price, multiplied by the number of option shares subject to pro-rata accelerated vesting upon termination.

(4) This amount represents the value of continued vesting of awards during the severance period and awards that will receive prorated accelerated vesting because the former NEOs qualify for early retirement (age 55 plus ten years of service) as of their retirement dates. This value is calculated based on the closing market price of \$49.55 of our common stock on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014. For stock options, this value equals the difference between the closing market price of \$49.55 of our common stock on the NYSE on May 23, 2014, the last trading day before the end of our fiscal year on May 25, 2014, and the exercise price, multiplied by the number of option shares subject to pro-rata accelerated vesting upon termination.

(5) Miscellaneous benefits include health and other continuation benefits, discount on the purchase of their company car and post-retiree medical benefits.

Equity Compensation Plan Information

The following table gives information about shares of our common stock issuable as of May 25, 2014 under the 2002 Plan, the RARE Hospitality International, Inc. Amended and Restated 2002 Long-Term Incentive Plan (the “RARE Plan”), our Stock Option and Long-Term Incentive Plan of 1995 (the “1995 Plan”), our Restaurant Management and Employee Stock Plan of 2000 (the “2000 Plan”), the Director Compensation Plan and our Employee Stock Purchase Plan.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights (1)	(b) Weighted-average exercise price of outstanding options (2)	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders (3)	10,802,445	\$41.97	8,987,212 (4)
Equity compensation plans not approved by security holders (5)	778,817	\$37.35	0
Total	11,581,262	\$41.66	9,085,755

(1) Includes stock options exercisable for common shares and deferred compensation obligations and unvested restricted stock units that may be paid out in common shares.

(2) Relates solely to stock options exercisable for common shares.

(3) Consists of the 2002 Plan, 1995 Plan and our Employee Stock Purchase Plan. The 2002 Plan has a “fungible share pool” approach to account for authorized shares. With respect to stock options and SARs, the number of shares available for awards is reduced by one share for each share covered by such award or to which the award relates. With respect to awards granted after September 15, 2006, other than stock options and SARs, the number of shares available for awards is reduced by two shares for each share covered by such award or to which such award relates. Awards that do not entitle the holder to receive or purchase shares and awards that are settled in cash are not counted against the aggregate number of shares available for awards under the 2002 Plan.

(4) Includes up to 7,693,858 shares of common stock that may be issued under awards under the 2002 Plan, and up to 1,293,354 shares of common stock that may be issued under our Employee Stock Purchase Plan. No new awards may be made under the 1995 Plan.

(5) Consists of the RARE Plan and the Director Compensation Plan, each of which is further described below.

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RARE Plan. We acquired RARE on October 1, 2007. The RARE Plan has not been approved by our shareholders, but was approved by the shareholders of RARE on May 8, 2007. No new awards may be granted under the RARE Plan after May 10, 2014, but the plan shall remain in effect as long as any awards under the plan are outstanding. The RARE Plan is administered by the Compensation Committee. The RARE Plan provided for the issuance of common stock in connection with awards of non-qualified stock options, incentive stock options, restricted stock and restricted stock units. Persons eligible to receive awards under the RARE Plan were any employee, officer, director, consultant or advisor of the Company who, as of September 30, 2007, was an employee, officer, director, consultant or advisor to RARE or its subsidiaries or affiliates. The RARE Plan is designed to meet the requirements of Section 162(m) of the Code regarding the deductibility of executive compensation. The RARE Plan provides that the exercise price of stock options shall be determined by the Compensation Committee, but shall not be less than the fair market value of a share of common stock as of the grant date. The Compensation Committee further amended the RARE Plan on June 19, 2008, to provide a “fungible share pool” approach to manage authorized shares under the RARE Plan. The RARE Plan did not provide for “net share counting,” so that shares that are used to pay the exercise price of a stock option or are withheld upon exercise of a stock option to satisfy tax withholding requirements were not be added to the number of shares available for granting awards under the RARE Plan.

Director Compensation Plan. The Director Compensation Plan provides for the issuance of up to 105,981 shares of common stock out of our treasury. No awards could be made under the Director Compensation Plan after September 30, 2005, but awards granted prior to that time remain outstanding and will vest in accordance with their terms. The Director Compensation Plan allowed us to award cash, deferred cash or common stock. Our non-employee directors were the only persons eligible to receive awards under the Director Compensation Plan. The purpose of the Director Compensation Plan is to provide incentives and awards to non-employee directors to align their interests with those of our shareholders. The Director Compensation Plan is administered by the Compensation Committee and was approved by the Board.

AUDIT COMMITTEE REPORT

The Audit Committee. Our Audit Committee consists of five directors, each of whom is an independent director under our Corporate Governance Guidelines and as required by the NYSE listing standards and SEC regulations for audit committee membership. The Audit Committee acts under a written charter adopted by the Board, which sets forth its responsibilities and duties, as well as requirements for the Audit Committee’s composition and meetings. The Audit Committee appoints our independent registered public accounting firm and is primarily responsible for:

• The integrity of our financial statements;

• Our compliance with legal and regulatory requirements;

• The independent registered public accounting firm’s qualifications and independence; and

• The performance of our internal audit function and independent registered public accounting firm.

Management is responsible for our internal controls, for the financial reporting process, and for providing a report assessing the effectiveness of our internal control over financial reporting. Our independent registered public accounting firm is responsible for performing an independent audit of our consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and an independent audit of our internal control over financial reporting. The Audit Committee’s responsibility is to monitor and oversee these processes.

Audit Committee Report. The Audit Committee has reviewed and discussed the audited consolidated financial statements with our management and discussed with KPMG LLP, our independent registered public accounting firm, the matters required to be discussed by the statement on Auditing Standard No. 16, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board.

The Audit Committee has received the written disclosures and the letter from KPMG LLP, required by applicable requirements of the Public Company Accounting Oversight Board regarding KPMG LLP's communications with the Audit Committee concerning independence, and has discussed with KPMG LLP its independence.

Based upon the reviews and discussions with management and KPMG LLP described above, the Audit Committee recommended to the Board of Directors that our audited consolidated financial statements be included in our Annual Report on Form 10-K for the fiscal year ended May 25, 2014 for filing with the SEC.

This report has been furnished by the members of the Audit Committee:

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Victoria D. Harker, Chair
Christopher J. Fraleigh
David H. Hughes
Senator Connie Mack, III
William S. Simon

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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FEES AND SERVICES

Fees

The following table sets forth the aggregate fees billed or estimated to be billed to us by KPMG LLP for fiscal 2014 and fiscal 2013:

	Fiscal 2014	Fiscal 2013
Audit Fees	\$3,661,000	\$1,932,000
Audit-Related Fees	114,000	114,000
Tax Fees	2,122,000	756,368
All Other Fees	308,850	63,188
Total Fees	\$6,205,850	\$2,865,556

Audit Fees consisted of fees paid to KPMG LLP for the audit of our annual financial statements included in the Annual Report on Form 10-K, review of our interim financial statements included in our Quarterly Reports on Form 10-Q, and services normally provided by our accountants in connection with statutory and regulatory filings or engagements. Audit fees increased in fiscal 2014 due to additional services performed in connection with the separation of the Red Lobster business.

Audit-Related Fees consisted of fees for assurance and related services that were reasonably related to the performance of the audit or review of our financial statements and are not reported under Audit Fees. The services provided consisted of audits of our employee benefit plans and the Darden Restaurants, Inc. Foundation.

Tax Fees in fiscal 2014 consisted of fees for tax compliance of \$1,022,000 and tax consulting services of \$1,100,000, and in fiscal 2013 consisted of fees for tax compliance of \$543,316 and tax consulting services of \$213,052. Tax fees increased in fiscal 2014 principally due to additional tax consulting services performed in connection with the separation of the Red Lobster business.

All Other Fees consisted of fees other than the services reported above. The services provided in fiscal 2014 consisted of technical accounting advisory services associated with the separation of the Red Lobster business and a subscription to an accounting website, and in fiscal 2013 consisted of information technology advisory outsourcing and a subscription to an accounting website.

Pre-Approval Policy

Pursuant to our policy on Pre-Approval of Audit and Non-Audit Services, we discourage the retention of our independent registered public accounting firm for non-audit services. We will not retain our independent registered public accounting firm for non-audit work unless:

- In the opinion of senior management, the independent registered public accounting firm possesses unique knowledge or technical expertise that is superior to that of other potential providers;

• The approvals of the Chair of the Audit Committee and the CFO are obtained prior to the retention; and

• The retention will not affect the status of the independent registered public accounting firm as “independent accountants” under applicable rules of the SEC, Independence Standards Board and NYSE.

The details regarding any engagement of the independent registered public accounting firm for non-audit services are provided promptly to the full Audit Committee. During fiscal 2014 and fiscal 2013, all of the services provided by KPMG LLP for the services described above related to Audit-Related Fees, Tax Fees, and All Other Fees were pre-approved using the above procedures and none were provided pursuant to any waiver of the pre-approval requirement.

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SHAREHOLDER PROPOSALS FOR 2015 ANNUAL MEETING OF SHAREHOLDERS

If you wish to submit a proposal to be included in our Proxy Statement for our 2015 Annual Meeting of Shareholders, we must receive the proposal at our principal office on or before [____], 2015. Please address your proposal to: Corporate Secretary, Darden Restaurants, Inc., 1000 Darden Center Drive, Orlando, Florida 32837.

Under our Bylaws (which are subject to amendment at any time), if you wish to nominate a director or bring other business before the shareholders at our 2015 Annual Meeting, you must:

- Notify our Corporate Secretary in writing on or before [____], 2015; and

- Include in your notice the specific information required by our Bylaws and otherwise comply with the requirements of our Bylaws and applicable law.

If you would like a copy of our Bylaws, we will send you one without charge on request. A copy of our Bylaws also is available at www.darden.com.

If you wish to recommend a nominee for director, you should comply with the procedures provided in our Director Nomination Protocol available at www.darden.com as Appendix A to our Nominating and Governance Committee charter and discussed under the heading “Meetings of the Board of Directors and Its Committees - Board of Directors - Director Candidates Recommended by Shareholders” above.

OTHER BUSINESS

As of the date of this Proxy Statement, your Board knows of no other matters to be brought before the Annual Meeting other than those discussed in this Proxy Statement. If any other matters requiring a vote of the shareholders are properly brought before the Annual Meeting, the persons appointed as proxyholders under the proxies solicited by the Board will vote such proxies in accordance with their best judgment, to the extent permitted under applicable law.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors and executive officers and persons who own more than 10 percent of our common shares to file with the SEC and NYSE reports of ownership and changes in ownership of our common shares. Directors, executive officers and greater than 10 percent shareholders are required by SEC regulation to furnish us with copies of all Section 16(a) reports they file. To our knowledge, based solely on a review of the copies of these reports furnished to us since the beginning of fiscal 2014 and written representations that no other reports were required, all Section 16(a) filing requirements applicable to our directors and executive officers were timely satisfied during fiscal 2014, except that David R. Lothrop filed a Form 4 on June 26, 2014 to report a forfeiture of 40 common shares on June 19, 2012 and David H. Hughes filed a Form 4 on July 15, 2014 to report an exercise of an option to purchase 3,000 common shares on July 8, 2014.

AVAILABILITY OF ANNUAL REPORT TO SHAREHOLDERS

SEC rules require us to provide an Annual Report to shareholders who receive this Proxy Statement. We will also provide copies of the Annual Report to brokers, dealers, banks, voting trustees and their nominees for the benefit of their beneficial owners of record. You may obtain without charge the Company’s 2014 Annual Report to Shareholders or any other corporate governance documents referred to in this Proxy Statement by writing to the Corporate Secretary of the Company at 1000 Darden Center Drive, Orlando, Florida 32837. These also are available on the SEC’s website at www.sec.gov or on the Company’s website at www.darden.com.

The Annual Report is not to be regarded as soliciting material, and our management does not intend to ask, suggest or solicit any action from the shareholders with respect to the Annual Report.

The information provided on the Company's website is referenced in this Proxy Statement for information purposes only. The information on the Company's website shall not be deemed to be a part of or incorporated by reference into this Proxy Statement or any other filings we make with the SEC.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be held on September 30, 2014: The Proxy Statement and our 2014 Annual Report to Shareholders are available without charge to shareholders upon written or oral request directed to [_____].

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YOUR VOTE IS IMPORTANT!

Please vote by telephone or the Internet or promptly mark, sign, date and return your proxy card in the enclosed envelope.

**BY ORDER OF THE
BOARD OF DIRECTORS**

Teresa M. Sebastian
Senior Vice President, General Counsel,
Chief Compliance Officer
and Corporate Secretary
[_____], 2014

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Appendix A - Supplemental Information Regarding Participants

The following tables (“Directors and Nominees” and “Officers and Employees”) set forth the name and business address of our directors and nominees, and the name, present principal occupation and business address of our officers and employees who, under the SEC Rules, are considered to be “participants” in our solicitation of proxies from our shareholders in connection with the Annual Meeting (collectively, the “Participants”).

Directors and Nominees

The principal occupations of our director nominees are described in the section captioned “PROPOSAL 1 - ELECTION OF DIRECTORS.” The names and principal occupations of our directors and nominees are set forth below. The business address for all our directors and nominees is c/o Darden Restaurants, Inc., 1000 Darden Center Drive, Orlando, Florida 32837.

Name

Michael W. Barnes	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
Dr. Leonard L. Berry	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
Christopher J. Fraleigh	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
Victoria D. Harker	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
David H. Hughes	Director, Darden Restaurants, Inc.
Charles A. Ledsinger	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
William M. Lewis, Jr.	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
Senator Connie Mack III	Partner and Senior Policy Advisor, Liberty Partners Group
Clarence Otis, Jr.	Chief Executive Officer, Darden Restaurants, Inc.
Michael D. Rose	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
Maria A. Sastre	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”
William S. Simon	See “PROPOSAL 1 - ELECTION OF DIRECTORS.”

Officers and Employees

The principal occupations of our executive officers and employees who are considered Participants are set forth below. The principal occupation refers to such person’s position with the Company, and the business address for each person is c/o Darden Restaurants, Inc., 1000 Darden Center Drive, Orlando, Florida 32837.

Name	Title
Ronald J. DeFeo	Senior Vice President, Media Public Relations
Robert S. McAdam	Senior Vice President, Government and Community Affairs
C. Bradford Richmond	Senior Vice President and Chief Financial Officer
Teresa M. Sebastian	Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary

Matthew V. Stroud

Senior Vice President, Investor Relations

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Information Regarding Ownership of Company Securities by Participants

The number of shares of Common Stock held by our directors and named executive officers as of May 25, 2014 are described in the sections captioned "STOCK OWNERSHIP OF MANAGEMENT" and "STOCK OWNERSHIP OF PRINCIPAL SHAREHOLDERS." The following table sets forth the number of shares held as of May 25, 2014 by our other employees who are deemed Participants in our solicitation of proxies. No Participant owns any securities of the Company of record that such Participant does not own beneficially, except as described in this Proxy Statement.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾	Percent of Class ⁽²⁾
Ronald J. DeFeo		
Robert S. McAdam		
C. Bradford Richmond		
Teresa M. Sebastian		
Matthew V. Stroud		

Information Regarding Transactions in the Company's Securities by Participants

The following table sets forth information regarding purchases and sales of the Company's securities by each Participant from [__], 2012 to [__], 2014. Unless otherwise indicated, all transactions were in the public market or pursuant to our equity compensation plans and none of the purchase price or market value of these securities is represented by funds borrowed or otherwise obtained for the purpose of acquiring or holding such securities.

Name	Transaction Date	Number of Shares	Transaction Description
Michael W. Barnes			
Dr. Leonard L. Berry			
Ronald J. DeFeo			
Christopher J. Fraleigh			
Victoria D. Harker			
David H. Hughes			
Charles A. Ledsinger			
William M. Lewis, Jr.			
Robert S. McAdam			
Senator Connie Mack III			
Clarence Otis, Jr.			
C. Bradford Richmond			
Michael D. Rose			
Maria A. Sastre			
Teresa M. Sebastian			
William S. Simon			
Matthew V. Stroud			

Miscellaneous Information Regarding Participants

Except as described in the Proxy Statement or this Appendix A, to the Company's knowledge: none of the Participants or their associates (i) beneficially owns, directly or indirectly, any shares or other securities of the Company or any of the Company's subsidiaries or (ii) has a substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon at the Annual Meeting. In addition, neither the Company nor any of the Participants has been within the past year party to any contract, arrangement or understanding with any person with respect to any of our securities, including, but not limited to, joint ventures, loan or option arrangements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits or the giving or withholding of proxies. Other than as set forth in Appendix A or this Proxy Statement, none of the Participants or any of their associates have (i) any arrangements or understandings with any person with respect to any future employment by the Company or the Company's affiliates or with respect to any future transactions to which the Company or any of the Company's affiliates will or may be a party or (ii) a direct or indirect material interest in any transaction or series of similar transactions since the beginning of the Company's last fiscal year or any currently proposed transactions, to which the Company or any of the Company's subsidiaries was or is to be a party in which the amount involved exceeded \$120,000.

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Appendix B

Form of Article I, Section 7

of the

Bylaws of Darden Restaurants, Inc.

as proposed

SECTION 7. Nomination of Directors:

(a) Only persons who are nominated in accordance with the procedures set forth in these bylaws shall be eligible to serve as directors. Nominations of persons for election to the board of directors of the corporation may be made at a meeting of shareholders (a1) by or at the direction of the board of directors or a committee thereof or (b2) by any shareholder (or group of shareholders as provided in this Section 7(b) below) of the corporation who is a shareholder of record at the time of giving of notice provided for in this Section and at the time of the meeting, who shall be entitled to vote for the election of directors at the meeting and who meets the requirements of and complies with the notice procedures set forth in this Section 7. Such nominations, other than those made by or at the direction of the board of directors or a committee thereof, shall be made pursuant to timely notice in writing to the secretary of the corporation. To be timely, a shareholder's notice (other than a notice submitted in order to include a Shareholder Nominee (defined below) in the corporation's proxy materials, as defined and described in Section 7(b) below) shall be delivered to or mailed and received at the principal executive offices of the corporation not less than 120 calendar days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event no annual meeting was held in the previous year or the date of the annual meeting has been changed by more than thirty (30) days, notice by the shareholder to be timely must be so received not later than the close of business on the later of 120 calendar days in advance of such annual meeting or ten (10) calendar days following the day on which such notice of the date of the meeting or such public disclosure is first made. In addition, to be considered timely, a shareholder's notice 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 as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the secretary at the principal executive offices of the corporation not later than five (5) 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, and not later than eight (8) 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 ten (10) business days prior to the meeting or any adjournment or postponement thereof. In no event shall any adjournment or postponement of a shareholders' meeting, or the public announcement thereof, commence a new time period for the giving of a shareholder's notice as described above, except as required by law.

Such shareholder's notice shall set forth as to each nominating shareholder and each nominee all of the information required by Section 9 below. At the request of the board of directors, any person nominated by the board of directors for election as a director shall furnish to the secretary of the corporation that information required to be set forth in a shareholder's notice of nomination which pertains to the nominee. No person shall be eligible to serve as a director of the corporation unless nominated in accordance with the procedures set forth in this Section.

(b) The corporation shall include in its proxy statement for an annual meeting of shareholders the name of any person nominated for election to the board of directors (the "Shareholder Nominee") by a shareholder or group of not more than ten (10) shareholders that satisfies the requirements of this Section 7(b) (the "Eligible Shareholder"), together with the Required Information (defined below), who expressly elects at the time of providing the notice required by this Section 7(b) to have its nominee included in the corporation's proxy materials pursuant to this Section. Such notice shall consist of a copy of Schedule 14N filed with the Securities and Exchange Commission in accordance with Rule 14a-18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the information required by Section 9 below, along with any additional information as required to be delivered to the corporation by this Section 7(b) (all such information collectively referred to as the "Notice"), and such Notice shall be delivered to the corporation in accordance with the procedures and at the times set forth in this Section 7(b).

(i)Notwithstanding the procedures set forth in Section 7(a), the Notice, to be timely, must be received at the principal executive offices of the corporation not later than the close of business on the one hundred fiftieth (150th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, the Notice by the shareholder to be timely must be so delivered not later than the close of business on the later of the 150th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than one hundred (120) days prior to the date of such annual meeting, the tenth day following the day on which public announcement of the date of such meeting is first made by the corporation. In no event shall any adjournment

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or postponement of a shareholders' meeting, or the public announcement thereof, commence a new time period for the giving of a shareholder's Notice as described above, except as required by law.

(ii) For purposes of this Section 7(b), the "Required Information" that the corporation will include in its proxy statement consists of (i) the information concerning the Shareholder Nominee and the Eligible Shareholder that is required to be disclosed in a proxy statement of the corporation by the rules and regulations of the Exchange Act; and (ii) if the Eligible Shareholder so elects, a Statement (defined below).

(iii) The corporation shall not be required to include, pursuant to this Section 7(b), any Shareholder Nominee in its proxy materials for any meeting of shareholders for which the secretary of the corporation receives a notice that the nominating shareholder has nominated a person for election to the Board of Directors pursuant to the advance notice requirements for shareholder nominees for director set forth in Section 7(a) of these Bylaws.

(iv) The maximum number of Shareholder Nominees appearing in the corporation's proxy materials with respect to an annual meeting of shareholders shall not exceed 25% of the number of directors in office as of the last day on which the Notice may be delivered, or if such amount is not a whole number, the closest whole number below 25%. Shareholder Nominees that were submitted by an Eligible Shareholder for inclusion in proxy materials of the corporation pursuant to this Section 7(b) but either are subsequently withdrawn, or that the Board of Directors itself determines to nominate for election, shall be included in this maximum number. In the event that the number of Shareholder Nominees submitted by Eligible Shareholders pursuant to this Section 7(b) exceeds this maximum number, each Eligible Shareholder will select one Shareholder Nominee for inclusion in the corporation's proxy materials until the maximum number is reached, going in order of the amount of shares of common stock of the corporation (largest to smallest) disclosed as owned by each Eligible Shareholder in the Notice. If the maximum number is not reached after each Eligible Shareholder has selected one Shareholder Nominee, this selection process will continue as many times as necessary, following the same order each time, until the maximum number is reached.

(v) For purposes of this Section 7(b), an Eligible Shareholder shall be deemed to "own" only those outstanding shares of common stock of the corporation as to which the shareholder possesses both (1) the full voting and investment rights pertaining to the shares and (2) the full economic interest in (including the opportunity for profit and risk of loss on) such shares; provided that the number of shares calculated in accordance with clauses (1) and (2) shall not include any shares (A) sold by such shareholder or any of its affiliates in any transaction that has not been settled or closed, including short sales, (B) borrowed, for purposes other than a short sale, by such shareholder or any of its affiliates for any purposes or purchased by such shareholder or any of its affiliates pursuant to an agreement to resell, or (C) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by such shareholder or any of its affiliates, whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of shares of outstanding common stock of the corporation, in any such case which instrument or agreement has, or is intended to have, the purpose or effect of (x) reducing in any manner, to any extent or at any time in the future, such shareholder's or its affiliates' full right to vote or direct the voting of any such shares, and/or (y) hedging, offsetting or altering to any degree gain or loss arising from the full economic ownership of such shares by such shareholder or affiliate. A shareholder shall "own" shares held in the name of a nominee or other intermediary so long as the shareholder retains the right to instruct how the shares are voted with respect to the election of directors and possesses the full economic interest in the shares. A shareholder's ownership of shares shall be deemed to continue during any period in which the shareholder has delegated any voting power by means of a proxy, power of attorney or other instrument or arrangement which is revocable at any time by the shareholder. The terms "owned," "owning" and other variations of the word "own" shall have correlative meanings. Whether outstanding shares of the common stock of the corporation are "owned" for these purposes shall be determined by the board of directors.

(vi) An Eligible Shareholder must have owned (as defined in Section 7(b)(v) above) 3% or more of the corporation's issued and outstanding common stock continuously for at least three years (the "Required Shares") as of both the date the Notice is required to be received by the corporation in accordance with this Section 7(b) and the record date for determining shareholders entitled to vote at the annual meeting, and must continue to hold the Required Shares through the meeting date; provided, that, up to, but not more than, ten (10) individual shareholders who otherwise meet all of the requirements to be an Eligible Shareholder may aggregate their shareholdings in order to meet the 3% minimum ownership percentage prong, but not the holding period prong, of the Required Shares definition). Within the time period specified in this Section 7(b) for delivery of the Notice, an Eligible Shareholder (including each of the individual members of a group of Eligible Shareholders) must provide the following information in writing to the secretary of the corporation: (1) one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite three-year holding period) verifying that, as of a date within three calendar days prior to the date the Notice is received by the corporation, the Eligible Shareholder owns, and

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has owned continuously for the preceding three years, the Required Shares, and the Eligible Shareholder's agreement to provide, within five (5) business days after the record date for the annual meeting, written statements from the record holder and intermediaries verifying the Eligible Shareholder's continuous ownership of the Required Shares through the record date, along with a written statement that the Eligible Shareholder will continue to hold the Required Shares through the meeting date; (2) the information required to be set forth in the Notice, together with the written consent of each Shareholder Nominee to being named in the proxy statement as a nominee and to serving as a director if elected; (3) a representation that the Eligible Shareholder (A) acquired the Required Shares in the ordinary course of business and not with the intent to change or influence control of the corporation, and does not presently have such intent, (B) has not nominated and will not nominate for election to the board of directors at the annual meeting any person other than the Shareholder Nominee(s) being nominated pursuant to this Section 7(b), (C) has not engaged and will not engage in, 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 Shareholder Nominee or a nominee of the board of directors, and (D) will not distribute to any shareholder any proxy card for the annual meeting other than the form distributed by the corporation; and (4) an undertaking that the Eligible Shareholder agrees to (A) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Shareholder's communications with the shareholders of the corporation or out of the information that the Eligible Shareholder provided to the corporation, (B) comply with all other laws and regulations applicable to any solicitation in connection with the annual meeting, and (C) provide to the corporation prior to the election of directors such additional information as requested with respect thereto. The inspector of election shall not give effect to the Eligible Shareholder's votes with respect to the election of directors if the Eligible Shareholder does not comply with each of the representations set forth in clause (3) above.

(vii) The Eligible Shareholder may provide to the secretary of the corporation, at the time the information required by this Section 7(b) is provided, a written statement for inclusion in the proxy statement for the corporation's annual meeting, not to exceed 500 words, in support of the Shareholder Nominee's candidacy (the "Statement"). Notwithstanding anything to the contrary contained in this Section 7(b), the corporation may omit from its proxy materials any information or Statement that it, in good faith, believes is materially false or misleading, omits to state any material fact, or would violate any applicable law or regulation.

(viii) Within the time period specified in this Section 7(b) for providing Notice, a Shareholder Nominee must deliver to the secretary of the corporation the written questionnaire described in Section 10 below, along with representations and agreements described in Section 10 below. The corporation may request such additional information as necessary to permit the board of directors to determine if each Shareholder Nominee is independent under the listing standards of the principal U.S. exchange upon which the corporation's common stock is listed, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the board of directors in determining and disclosing the independence of its directors. If the board of directors determines in good faith that the Shareholder Nominee is not independent under any of these standards, the Shareholder Nominee will not be eligible for inclusion in the corporation's proxy materials.

(ix) Any Shareholder Nominee who is included in the corporation's proxy materials for a particular annual meeting of shareholders but either (1) withdraws from or becomes ineligible or unavailable for election at the annual meeting, or (2) does not receive at least 25% of the votes cast in favor of the election of such Shareholder Nominee, will be ineligible to be a Shareholder Nominee pursuant to this Section 7(b) for the next two annual meetings of the corporation.

(c) Notwithstanding anything in the immediately preceding paragraph Section 7(a) or 7(b) to the contrary, in the event that the number of directors to be elected to the board of directors is increased by the board of directors, and there is no public announcement by the corporation naming all of the nominees for director or specifying the size of the increased board of directors at least 130 days prior to the first anniversary of the preceding year's annual meeting, a

shareholder's notice required by this Section 7(a) or 7(b) shall also be considered timely, but only with respect to nominees for any new positions created by such increase (and with respect to Section 7(b), only to the extent the increase in the size of the board increases the number of nominees permitted under Section 7(b)(iv)), if it shall be delivered to the secretary at the principal executive offices of the corporation not later than the close of business on the 10th business day following the day on which such public announcement is first made by the corporation.

(d)Such shareholder's notice shall set forth as to each nominating shareholder and each nominee all of the information required by Section 9 below. At the request of the board of directors, any person nominated by the board of directors for election as a director shall furnish to the secretary of the corporation that information required to be set forth in a shareholder's notice of nomination which pertains to the nominee. No person shall be eligible to serve as a director of the corporation unless

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nominated in accordance with the procedures set forth in this Section. The chairman of the meeting shall have the power to determine and declare to the meeting whether a nomination was made in accordance with the procedures prescribed by the bylaws, and if the chairman should so determine that such nomination was not made in compliance with the bylaws, declare to the meeting that no action shall be taken on such nomination and such defective nomination shall be disregarded. Notwithstanding the foregoing provisions of this Section, a shareholder shall also comply with all applicable requirements of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations thereunder with respect to the matters set forth in this Section.

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Appendix C—Glossary of Terms

2002 Plan. The Darden Restaurants, Inc. 2002 Stock Incentive Plan, as amended, which provides for the grant of stock options, SARs, restricted stock, restricted stock units, performance awards and other stock and stock-based awards to employees, officers, consultants, advisors and non-employee directors.

CEO. Our chief executive officer.

CFO. Our chief financial officer.

COO. Our chief operating officer.

Compensation Committee or Committee (when used in the Compensation Discussion and Analysis). The Compensation Committee of your Board of Directors.

Committee’s Consultant. The compensation consultant retained from time to time (currently Towers Watson) by the Compensation Committee.

Diluted net earnings per share growth. Earnings per share (net income from continuing operations as reported in our financial statements, divided by diluted weighted-average shares) increase over the prior fiscal year. Diluted weighted-average shares include weighted-average shares outstanding plus the dilutive effect of share-based compensation.

Director Compensation Plan. Compensation Plan for Non-Employee Directors.

Exchange Act. The Securities Exchange Act of 1934, as amended.

Executive officers. The most senior executives of the Company designated as our “executive officers” in our most recent Form 10-K and other securities filings.

LTI. The Long-Term Incentive Program, which provides our officers reward opportunities tied to achieving sustained strong financial performance through both stock options and PSUs

MCAs. Management continuity agreements, which are limited to a change of control of the Company.

MIP. The Management and Professional Incentive Plan, which is our annual cash incentive plan; certain of our equity awards, such as PSUs for executive officers, may be made subject to the MIP.

NEO. Named Executive Officer. Our officers who are named in the Summary Compensation Table, as required by SEC rules.

NYSE. The New York Stock Exchange.

Officers. Employees at the level of vice president and above; approximately 100 employees.

Purchase Plan. The Darden Restaurants, Inc. Employee Stock Purchase Plan.

PSUs. Performance Stock Units granted under our 2002 Plan, which currently constitute a three-year (previously five-year) incentive program that is part of our LTI program.

RARE Plan. The RARE Hospitality International, Inc. (RARE) Amended and Restated 2002 Long-Term Incentive Plan, which provides for the issuance of common stock in connection with awards of non-qualified stock options, incentive stock options, restricted stock and restricted stock units to any employee, officer, director, consultant or advisor of the Company who, as of September 30, 2007, was an employee, officer, director, consultant or advisor to RARE or its subsidiaries or affiliates.

S&P 500. A value weighted index of the prices of the common stock of 500 large companies, whose stock trades on either the NYSE or the NASDAQ.

§ARs. Stock appreciation rights.

§Sales growth. Our total sales during the fiscal year compared to our total sales in the prior fiscal year.

Same-restaurant sales. A year-over-year comparison of each period's sales volumes for our restaurants that have been open at least 16 months, including recently acquired restaurants, absent consideration of when the restaurants were acquired.

§EC. The U.S. Securities and Exchange Commission.

§Senior officers. The group of senior executives of the Company; approximately thirty employees.

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TSR or Total shareholder return. The total return on our shares over a specified time period, expressed as a percentage (calculated based on the change in our common stock price over the relevant measurement period and assuming reinvestment of dividends).

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