

DARDEN RESTAURANTS INC
Form PREC14A
August 04, 2014
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

DARDEN RESTAURANTS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

Edgar Filing: DARDEN RESTAURANTS INC - Form PREC14A

x No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which the transaction applies:
- (2) Aggregate number of securities to which the transaction applies:
- (3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

Table of Contents

[PRELIMINARY COPY SUBJECT TO COMPLETION]

[], 2014

Dear Shareholders:

On behalf of your Board of Directors, it is our pleasure to invite you to attend the 2014 Annual Meeting of Shareholders (the Annual Meeting) of Darden Restaurants, Inc. (the Company). We will hold the Annual Meeting on Tuesday, September 30, 2014, at [] a.m., Eastern Daylight Time, at the []. All holders of our outstanding common shares as of the close of business on August 11, 2014, are entitled to vote at the meeting. The formal Notice of Annual Meeting of Shareholders and Proxy Statement are attached, and the matters to be acted upon by our shareholders are described in them. You should also have received a **BLUE** proxy card from Darden for voting and postage-paid return envelope. **BLUE** proxy cards are being solicited on behalf of your Board of Directors (the Board).

It is important that your shares be represented and voted at the Annual Meeting. After reading the attached Proxy Statement, please complete, date, sign and return the accompanying **BLUE** proxy card. Alternatively, you may vote electronically through the Internet or by telephone by following the instructions on your **BLUE** proxy card. If you hold your shares through an account with a broker, bank or other nominee, please follow the instructions you receive from the holder of record to vote your shares.

Your vote is important regardless of the number of shares you own, and your vote will be especially important at this year's Annual Meeting. As you may have heard, Starboard Value LP (Starboard) has notified the Company that Starboard intends to nominate a slate of twelve nominees for election as directors to your Board at the Annual Meeting in opposition to, and to replace all of, the nominees recommended by your Board. You may receive solicitation materials from Starboard, including opposition proxy statements and a white proxy card. We are not responsible for the accuracy of any information provided by or relating to Starboard or its nominees contained in solicitation materials filed or disseminated by or on behalf of Starboard or any other statements Starboard may make.

The Board does not endorse any Starboard nominee and unanimously recommends that you vote on the BLUE proxy card or voting instruction form *FOR ALL* of the director nominees listed in the Company's Proxy Statement under the section captioned PROPOSAL 1 ELECTION OF DIRECTORS. The Board of Directors strongly urges you to discard any proxy card sent to you by Starboard. If you have previously submitted a white proxy card sent to you by Starboard, you can revoke that proxy and vote for your Board's nominees and on the other matters to be voted on at the Annual Meeting by using the enclosed BLUE proxy card. Only the latest validly executed proxy card that you submit will be counted.

The accompanying Notice of Annual Meeting of Shareholders and Proxy Statement contain details about the business to be conducted at the Annual Meeting. Please read these documents carefully. If you will need special assistance at the meeting because of a disability, please contact the Company's proxy solicitor, Innisfree M&A Incorporated (Innisfree), at the toll-free number included in this Proxy Statement.

Whether or not you plan to attend, it is important that your shares be represented and voted at the Annual Meeting. Please refer to the **BLUE** proxy card or the Proxy Statement for more information on how to vote your shares at the meeting.

Your vote is important. Thank you for your support.

Sincerely,

Charles A. Ledsinger, Jr.

Chairman of the Board of Directors

Table of Contents

[PRELIMINARY COPY SUBJECT TO COMPLETION]

DARDEN RESTAURANTS, INC.

1000 Darden Center Drive

Orlando, Florida 32837

NOTICE OF

2014 ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON SEPTEMBER 30, 2014

Time: [] a.m., Eastern Daylight Time, on Tuesday, September 30, 2014.

Place: []

- Items of Business:**
1. To elect twelve directors to serve until the next annual meeting of shareholders and until their successors are elected and qualified;
 2. To obtain advisory approval of the Company's executive compensation;
 3. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending May 31, 2015;
 4. To vote on a management proposal to amend the Bylaws to provide for proxy access;
 5. To vote on three shareholder proposals described in the accompanying Proxy Statement, if properly presented at the meeting; and
 6. To transact such other business, if any, as may properly come before the meeting and any adjournment.

Who Can Vote:

Edgar Filing: DARDEN RESTAURANTS INC - Form PREC14A

You can vote at the Annual Meeting and any adjournment if you were a holder of record of our common stock at the close of business on August 11, 2014. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on. All shareholders are invited to attend, although only shareholders of record will be entitled to vote at the Annual Meeting.

Website:

Important Notice Regarding the Availability of Proxy Materials for the Shareholders Meeting to be held on September 30, 2014: The accompanying Proxy Statement and our 2014 Annual Report to Shareholders are available at www.darden.com. In addition, you may access these materials at www.proxyvote.com.

Date of Mailing:

This Notice of 2014 Annual Meeting of Shareholders and the Proxy Statement are first being distributed or otherwise furnished to shareholders on or about [], 2014.

Your Board recommends that you vote *FOR ALL* of the director nominees listed in the Company's Proxy Statement for the Annual Meeting under the section captioned **PROPOSAL 1 ELECTION OF DIRECTORS, *FOR* the advisory approval of the Company's executive compensation, *FOR* the ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending May 31, 2015, *FOR* the proposal to amend the Bylaws to provide for proxy access, *AGAINST* the shareholder proposals regarding political contributions and lobbying disclosures and, as the Board has already appointed an independent chairman, neither *FOR* nor *AGAINST* the shareholder proposal regarding an independent chairman, each as described in the Company's Proxy Statement for the Annual Meeting, if the shareholder proposals are properly presented for consideration at the Annual Meeting.**

Table of Contents

Please note that Starboard has notified us that it intends to nominate a slate of twelve nominees for election as directors to your Board at the Annual Meeting in opposition to, and in order to replace all of, the nominees recommended by the Board. You may receive solicitation materials from Starboard, including opposition proxy statements and a white proxy card. We are not responsible for the accuracy of any information provided by or relating to Starboard or its nominees contained in solicitation materials filed or disseminated by or on behalf of Starboard or any other statements Starboard may make.

The Board does not endorse any Starboard nominee and unanimously recommends that you vote on the BLUE proxy card or voting instruction form *FOR ALL* of the director nominees listed in the Company's Proxy Statement for the Annual Meeting under the section captioned PROPOSAL 1 ELECTION OF DIRECTORS. The Board strongly urges you to discard any proxy card sent to you by Starboard. If you have previously submitted a white proxy card sent to you by Starboard, you can revoke that proxy and vote for your Board's nominees and on the other matters to be voted on at the Annual Meeting by using the enclosed BLUE proxy card. Only the latest validly executed proxy card that you submit will be counted.

Because your Board has nominated a slate of nine directors for the available twelve seats at the Annual Meeting, we expect that at least three nominees that were not nominated by the Board will be elected at the Annual Meeting. Starboard is the only shareholder that has notified the Company of its intention to nominate directors for election at the Annual Meeting by the applicable deadline. Therefore, your Board expects that at least three board seats will be filled by three of the Starboard nominees. Even if you submit your voting instructions *FOR ALL* of the Company's nine director nominees on the BLUE proxy card, at least three nominees that are nominated by Starboard will be elected as directors at the Annual Meeting. Your Board strongly urges you to vote *FOR ALL* nine of the nominees recommended by your Board.

To obtain directions to the Annual Meeting and vote in person, please call Innisfree toll-free at (877) 825-8631. Directions to the meeting location may also be found on our website (www.darden.com) on the Investors page under the Directions to the Meeting link.

By Order of the Board of Directors

Teresa M. Sebastian

Senior Vice President, General Counsel,

Chief Compliance Officer

and Corporate Secretary

[], 2014

YOUR VOTE IS IMPORTANT

YOU ARE STRONGLY URGED TO COMPLETE, DATE AND SIGN THE ACCOMPANYING BLUE PROXY CARD AND RETURN IT IN THE ENVELOPE PROVIDED AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING. ALTERNATIVELY, SUBMIT YOUR VOTING INSTRUCTIONS ELECTRONICALLY VIA THE INTERNET OR TELEPHONICALLY. PLEASE SEE THE COMPANY'S PROXY STATEMENT AND THE BLUE PROXY CARD FOR DETAILS ABOUT ELECTRONIC VOTING. IF YOU LATER DECIDE TO REVOKE YOUR PROXY FOR ANY REASON, YOU MAY DO SO IN THE MANNER DESCRIBED IN THE ATTACHED PROXY STATEMENT. IF YOU HOLD YOUR SHARES THROUGH AN ACCOUNT WITH A BROKER, BANK OR OTHER NOMINEE, PLEASE FOLLOW THE INSTRUCTIONS YOU RECEIVE FROM THE HOLDER OF RECORD TO VOTE YOUR SHARES.

Table of Contents

DARDEN RESTAURANTS, INC.

PROXY STATEMENT

TABLE OF CONTENTS

	Page
<u>PROXY STATEMENT INTRODUCTION</u>	1
<u>QUESTIONS AND ANSWERS ABOUT THE MEETING</u>	3
<u>BACKGROUND OF THE STARBOARD SOLICITATION</u>	10
<u>CORPORATE GOVERNANCE AND BOARD ADMINISTRATION</u>	13
<u>Corporate Governance Guidelines</u>	13
<u>Director Independence</u>	13
<u>Related Party Transactions</u>	14
<u>Board Leadership Structure</u>	15
<u>Succession Planning</u>	15
<u>Director Education</u>	15
<u>Board Role in Oversight of Risk Management</u>	16
<u>Assessment of Risk of Compensation Programs</u>	16
<u>Compliance & Ethics Office and Code of Business Conduct and Ethics</u>	16
<u>Summary of Corporate Governance Practices</u>	17
<u>Policy on Majority Voting</u>	18
<u>PROPOSALS TO BE VOTED ON</u>	19
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	19
<u>PROPOSAL 2 ADVISORY APPROVAL OF THE COMPANY'S EXECUTIVE COMPENSATION</u>	25
<u>PROPOSAL 3 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	26
<u>PROPOSAL 4 AMENDMENT TO BYLAWS TO PROVIDE FOR PROXY ACCESS</u>	27
<u>PROPOSAL 5 SHAREHOLDER PROPOSAL REGARDING INDEPENDENT CHAIR</u>	28
<u>PROPOSAL 6 SHAREHOLDER PROPOSAL REGARDING POLITICAL CONTRIBUTIONS</u>	30
<u>PROPOSAL 7 SHAREHOLDER PROPOSAL REGARDING LOBBYING DISCLOSURE</u>	33
<u>MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES</u>	36
<u>Board of Directors</u>	36
<u>Board Committees and Their Functions</u>	37
<u>DIRECTOR COMPENSATION</u>	40
<u>Compensation of Non-Employee Directors</u>	40
<u>Fiscal 2014 Compensation of Non-Employee Directors</u>	41
<u>STOCK OWNERSHIP OF MANAGEMENT</u>	44
<u>STOCK OWNERSHIP OF PRINCIPAL SHAREHOLDERS</u>	46
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	47
<u>Overview</u>	47
<u>Key Features of Our Total Rewards Program</u>	54
<u>Executive Talent and Total Rewards Philosophy</u>	54
<u>Elements of Our Total Rewards Program</u>	56
<u>Compensation Decisions for Fiscal 2014 Performance</u>	60
<u>CEO Compensation</u>	61
<u>Other Named Executive Officer Compensation</u>	62
<u>Other Named Executive Officer Compensation Retired NEOs</u>	63
<u>Setting Compensation and Performance Targets</u>	64
<u>Individual Performance Assessment</u>	66
<u>Governance of Executive Compensation</u>	67
<u>Other Executive Compensation Policies and Guidelines</u>	68
<u>COMPENSATION COMMITTEE REPORT</u>	71

Table of Contents

	Page
<u>EXECUTIVE COMPENSATION</u>	72
<u>Summary Compensation Table</u>	72
<u>Grants of Plan-Based Awards for Fiscal 2014</u>	75
<u>Outstanding Equity Awards at Fiscal Year-End</u>	77
<u>Option Exercises and Stock Vested for Fiscal 2014</u>	79
<u>Pension Benefits</u>	79
<u>Non-Qualified Deferred Compensation</u>	80
<u>Potential Payments Upon Termination or Change of Control</u>	82
<u>Equity Compensation Plan Information</u>	90
<u>AUDIT COMMITTEE REPORT</u>	92
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FEES AND SERVICES</u>	93
<u>Fees</u>	93
<u>Pre-Approval Policy</u>	93
<u>SHAREHOLDER PROPOSALS FOR 2015 ANNUAL MEETING OF SHAREHOLDERS</u>	94
<u>OTHER BUSINESS</u>	95
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	95
<u>AVAILABILITY OF ANNUAL REPORT TO SHAREHOLDERS</u>	95
<u>Appendix A Supplemental Information Regarding Participants</u>	A-1
<u>Appendix B Form of Article 1, Section 7 of the Bylaws of Darden Restaurants, Inc., as proposed</u>	B-1
<u>Appendix C Glossary of Terms</u>	C-1

Table of Contents

[PRELIMINARY COPY SUBJECT TO COMPLETION]

DARDEN RESTAURANTS, INC.

PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON SEPTEMBER 30, 2014

The Board of Directors (the **Board**) of Darden Restaurants, Inc. (Darden, the **Company**, **we**, **us** or **our**) is soliciting your proxy for use at the Annual Meeting of Shareholders to be held on September 30, 2014 (Annual Meeting). This Proxy Statement summarizes information concerning the matters to be presented at the meeting and related information that will help you make an informed vote at the meeting. This Proxy Statement and the proxy card are first being distributed or otherwise furnished to shareholders on or about [], 2014.

Holders of record of shares of common stock, no par value per share (the **Common Stock**), of the Company at the close of business on August 11, 2014, will be entitled to vote at the Annual Meeting. Each share of Common Stock will be entitled to one vote. As of August 11, 2014, there were [] shares of Common Stock outstanding and entitled to vote at the Annual Meeting. There are no other voting securities of the Company outstanding.

If you are a registered shareholder, you can simplify your voting by using the Internet or calling a toll-free telephone number on the **BLUE** proxy card. You may also vote by signing, dating and returning the **BLUE** proxy card in the postage-paid envelope provided. If you beneficially hold your shares in street name through a broker, bank or other nominee, you will be able to vote using the **BLUE** voting instruction form provided to you by such nominee, and Internet and telephone voting may also be available per the instructions provided on such **BLUE** voting instruction form.

Proxies will be voted at the Annual Meeting in accordance with the specifications you make on the proxy card. If you sign the **BLUE** proxy card or submit a proxy by telephone or over the Internet and do not specify how your shares are to be voted, your shares will be voted in accordance with the recommendations of the Board. See **QUESTIONS AND ANSWERS ABOUT THE MEETING AND VOTING**.

Brokers are not permitted to vote your shares with respect to any proposals at the Annual Meeting without your instructions as to how to vote. Please instruct your broker how to vote your shares using the voting instruction form provided by your broker. Please return your completed BLUE proxy card or voting instruction form to your broker and contact the person responsible for your account so that your vote can be counted.

Please note that Starboard Value LP (Starboard) has notified the Company of its intent to nominate a slate of twelve nominees for election as directors at the Annual Meeting in opposition to the nominees recommended by the Board. You may receive solicitation materials from Starboard, including proxy statements and proxy cards. We are not responsible for the accuracy of any information provided by or relating to Starboard or its nominees contained in solicitation materials filed or disseminated by or on behalf of Starboard or any other statements Starboard may make.

The Board does not endorse any Starboard nominees and unanimously recommends that you vote *FOR ALL* of the director nominees proposed by the Board. Your Board strongly urges you to discard any proxy card sent to you by Starboard. If you have previously submitted a proxy card sent to you by Starboard, you can revoke that proxy and vote for your Board's nominees and on the other matters to be voted on at the Annual Meeting by using the enclosed BLUE proxy card.

Table of Contents

If you have any questions or require any assistance with voting your shares, please contact our proxy solicitor at the contact listed below:

501 Madison Avenue, 20th Floor

New York, NY 10022

Shareholders call toll-free: (877) 825-8631

Banks and Brokers call collect: (212) 750-5833

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE MEETING AND VOTING

When and where will the Annual Meeting be held?

The Annual Meeting will be held on Tuesday, September 30, 2014 at [] a.m., Eastern Daylight Time, at []. The purposes of the Annual Meeting are set forth in the Notice of Annual Meeting of Shareholders to which this Proxy Statement is attached. All references in this Proxy Statement to the Company, we, us, or Darden refer to Darden Restaurants, Inc.

Why am I receiving these proxy materials?

You have received these proxy materials because you are a holder of the Company's Common Stock and your Board is soliciting authority, or your proxy, to vote your shares at the Annual Meeting. These proxy materials were first sent or given on or about [], 2014 to holders of the Company's Common Stock as of the close of business on August 11, 2014 (the Record Date).

What is included in these proxy materials?

These proxy materials include:

- our 2014 Annual Report to Shareholders;
- the Notice of Annual Meeting of Shareholders;
- this Proxy Statement; and
- a **BLUE** proxy card solicited by the Board for use at the Annual Meeting.

Have other candidates been nominated for election as directors at the Annual Meeting in opposition to the Board's nominees?

Yes. Starboard, a shareholder of the Company, has notified the Company of Starboard's intent to nominate a slate of twelve nominees for election as directors at the Annual Meeting in opposition to the nominees recommended by the Board. The Board does not endorse any Starboard nominees and unanimously recommends that you vote **FOR ALL** of the nominees proposed by the Board by using the **BLUE** proxy card accompanying this Proxy Statement. The Board strongly urges you to discard any proxy card sent to you by Starboard.

Who can vote at the Annual Meeting?

The only shares entitled to vote at the Annual Meeting are shares of Common Stock, with each share entitling the holder of record to one vote on all matters properly brought before the Annual Meeting. To be able to vote your shares at the Annual Meeting, the records of the Company must show that you held your shares as of the close of business on the Record Date. At the close of business on the Record Date, there were [] shares of Common Stock outstanding.

How do I attend the Annual Meeting?

The Annual Meeting will be held on Tuesday, September 30, 2014, at [] a.m., Eastern Daylight Time, at []. When you arrive, signs will direct you to the appropriate room. You should be prepared to present valid government-issued photo identification, such as a driver's license or passport, for admittance. In addition, if you are a shareholder of record, your name will be verified against the list of shareholders of record prior to admittance to the Annual Meeting. If you are a beneficial owner, you must provide proof of beneficial ownership on the Record Date, such as your account statement showing that you owned our Common Stock as of August 11, 2014, a copy of the voting instruction form provided by your broker, bank or other nominee, or other similar evidence of ownership. If you do not provide valid government-issued photo identification and comply with the other procedures outlined above, you will not be admitted to the Annual Meeting. You do not need to attend the Annual Meeting to vote. Even if you plan to attend the Annual Meeting, please submit your vote in advance as instructed herein.

Table of Contents

Please note that if you are unable to attend the Annual Meeting in person, you may attend and participate in the meeting via the Internet, including submitting questions, at [www.]. Instructions on how to attend the virtual meeting will be posted on [www.] at least two weeks prior to the Annual Meeting. Virtual attendance at the Annual Meeting will be considered the same as attendance in person for purposes of Florida law.

What is the difference between holding shares as a holder of record and as a beneficial owner?

If at the close of business on August 11, 2014 your shares were held in an account at a broker, bank, dealer, or other nominee or similar organization, then you are the beneficial owner of shares held in street name and the proxy materials, as applicable, are being forwarded to you by that organization. The organization holding your account is considered the shareholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares in your account. If that organization is not given specific direction, shares held in the name of that organization may not be voted and will not be considered as present and entitled to vote on any matter to be considered at the Annual Meeting.

Under the rules that govern brokers who have record ownership of shares that they hold in street name for their clients who are the beneficial owners of the shares, brokers have the discretion to vote such shares on discretionary, or routine, matters but not on non-discretionary, or non-routine, matters. Broker non-votes generally occur when shares held by a broker nominee for a beneficial owner are not voted with respect to a proposal because the broker nominee has not received voting instructions from the beneficial owner and lacks discretionary authority to vote the shares. Brokers normally have discretion to vote on routine matters, such as the ratification of independent registered public accounting firms, but not on non-routine matters, such as director elections, proposals dealing with compensation issues, or shareholder proposals. We urge you to provide instructions to your broker so that your votes may be counted on these important matters. You should vote your shares by following the instructions provided on the **BLUE** voting instruction form and returning your **BLUE** voting instruction form to your broker to ensure that your shares are voted on your behalf.

How do I vote my shares?

You may vote your shares using one of the following methods:

Over the Internet. If you have access to the Internet, you can submit your proxy online by following the instructions included on your **BLUE** proxy card (or **BLUE** voting instruction form in the case of beneficial holders for whom Internet voting is available) for voting over the Internet.

By telephone. You can vote by calling a toll-free telephone number listed on the **BLUE** proxy card (or **BLUE** voting instruction form in the case of beneficial holders for whom telephone voting is available). Please refer to your **BLUE** proxy card or **BLUE** voting instruction form for instructions on voting by phone.

By mail. You may vote your shares by completing, signing, dating and returning the **BLUE** proxy card in the postage-paid envelope provided (or **BLUE** voting instruction form in the case of beneficial holders). Please refer to your **BLUE** proxy card or **BLUE** voting instruction form for instructions on voting by mail.

In person at the Annual Meeting. Shareholders are invited to attend the Annual Meeting and vote in person at the Annual Meeting. If you are a beneficial owner of shares, you must obtain a legal proxy from the broker, bank or other holder of record of your shares to be entitled to vote those shares in person at the meeting. Virtual attendance at the Annual Meeting through [www.] will be considered attendance in person for purposes of Florida law.

A control number, located on the instruction sheet attached to the **BLUE** proxy card, is designated to verify your identity and allow you to vote your shares and confirm that your voting instructions have been recorded properly. If you vote via the Internet or by telephone, there is no need to return a signed **BLUE** proxy card. However, you may still vote by proxy by using the **BLUE** proxy card. The Florida Business Corporation

Table of Contents

Act provides that a shareholder may appoint a proxy by electronic transmission, so we believe that the Internet or telephone voting procedures available to shareholders are valid and consistent with the requirements of applicable law.

How do I vote if I participate in the Darden Savings Plan?

If you hold shares in the Darden Savings Plan, which includes shares held in the Darden Stock Fund in the 401(k) plan, the Employee Stock Ownership Plan and after-tax accounts, you will receive a separate voting instruction form for your shares in each plan you are a participant. If you do not submit timely voting instructions to the trustee on how to vote your shares, your Darden Savings Plan shares will be voted by the trustee in the same proportion that it votes shares in other Darden Savings Plan accounts for which it did receive timely voting instructions.

How can I revoke my proxy or change my vote?

If you are a registered shareholder, you may revoke your proxy at any time before it is actually voted at the Annual Meeting by giving notice of revocation to the Company in writing, by accessing the designated Internet site prior to the deadline for transmitting voting instructions electronically, by using the toll-free number stated on the **BLUE** proxy card or by attending the Annual Meeting and giving notice of revocation in person. You may also change your vote by choosing one of the following options: executing and returning to the Company a later-dated proxy card; submitting a later-dated vote through the designated Internet site or the toll-free telephone number stated on the **BLUE** proxy card; or voting at the Annual Meeting in person. Attending the Annual Meeting will not, by itself, revoke your proxy.

If you have previously submitted a white proxy card sent to you by Starboard, you can revoke that proxy and vote for the nominees proposed by the Board and on the other matters to be voted on at the Annual Meeting by using the enclosed BLUE proxy card. Only the latest validly executed proxy card that you submit will be counted.

If you hold your shares in street name, you must follow the instructions provided by your broker, bank or other nominee in order to revoke your previous instructions.

What should I do if I receive a proxy card from Starboard?

Please note that Starboard has notified us that it intends to nominate a slate of twelve nominees for election as directors to the Board at the Annual Meeting in opposition to the nominees recommended by the Board. The Company does not know whether Starboard will in fact nominate individuals for election as directors at the Annual Meeting or solicit proxies. You may receive solicitation materials from Starboard, including opposition proxy statements and a white proxy card. We are not responsible for the accuracy of any information provided by or relating to Starboard or its nominees contained in solicitation materials filed or disseminated by or on behalf of Starboard or any other statements Starboard may make.

The Board does not endorse any Starboard nominee and unanimously recommends that you disregard any proxy card or solicitation materials that may be sent to you by Starboard. Voting to *WITHHOLD* with respect to any of Starboard's nominees on its proxy card is not the same as voting for the Board's nominees because a vote to *WITHHOLD* with respect to any of Starboard's nominees on its proxy card will revoke any proxy you previously submitted.

If you have already voted using the white proxy card, you have every right to change your vote by voting via the Internet or by telephone by following the instructions on the BLUE proxy card, or by completing and mailing the enclosed BLUE proxy card in the enclosed pre-paid envelope. Only the latest validly executed proxy that you submit will be counted, and any proxy may be revoked at any time prior to

Table of Contents

its exercise at the Annual Meeting by following the instructions under How can I revoke my proxy or change my vote? If you have any questions or require any assistance with voting your shares, please contact Innisfree toll-free at (877) 825-8631.

What does it mean if I receive more than one BLUE proxy card or voting instruction form?

It generally means your shares are registered differently or are in more than one account. Please provide voting instructions for each **BLUE** proxy card or, if you vote via the Internet or by telephone, vote once for each **BLUE** proxy card you receive to ensure that all of your shares are voted.

If Starboard proceeds with its previously announced alternative director nominations, you will likely receive multiple mailings from Starboard, and we will likely conduct multiple mailings prior to the date of the Annual Meeting so that shareholders have our latest proxy information and materials to vote. We will send you a new **BLUE** proxy card with each mailing, regardless of whether you have previously voted. Only the latest validly executed proxy card you submit will be counted. If you wish to vote as recommended by the Board, you should only submit the **BLUE** proxy card. Please see What should I do if I receive a proxy card from Starboard? above for more information.

Who is paying for the cost of this proxy solicitation?

The Company will pay the costs of preparing, assembling, printing and mailing this Proxy Statement, the accompanying **BLUE** proxy card and any other related materials and all other costs incurred in connection with the solicitation of proxies on behalf of the Board. Although the Company is soliciting proxies by mailing the proxy materials to shareholders, proxies may be solicited by personal interview, mail, telephone, facsimile, email or otherwise. The Company estimates that approximately [] of its employees will assist in this proxy solicitation. The Company has retained Innisfree to aid in the solicitation of proxies for a fee not to exceed \$[] plus expenses. Innisfree estimates that approximately [] of its employees will assist in this proxy solicitation. The Company's aggregate expenses related to the solicitation, including those of Innisfree, as well as for printing and mailing materials to shareholders, in excess of those normally spent for an annual meeting as a result of the potential proxy contest and excluding salaries and wages of our officers and regular employees, are expected to be approximately \$[], of which approximately \$[] has been spent to date. Innisfree has not incurred any solicitation costs as of the date of this Proxy Statement. The Company will reimburse its transfer agent, brokers, brokerage firms, broker/dealers, banks and other custodians, fiduciaries and nominees for their reasonable costs in sending proxy materials to shareholders who beneficially own our shares. Solicitations may also be made by personal interview, mail, telephone, facsimile, email, or otherwise by directors, officers, and other employees of the Company, but the Company will not additionally compensate its directors, officers, or other employees for these services. Appendix A sets forth information relating to certain of our directors, officers, and employees who are considered participants in this proxy solicitation under the rules of the Securities and Exchange Commission (SEC) by reason of their position or because they may be soliciting proxies on our behalf.

Are there any cumulative voting rights in the election of directors?

No.

What constitutes a quorum to hold and transact business at the Annual Meeting?

A majority of our outstanding Common Stock as of the Record Date must be present in person or by proxy at the meeting. This is called a quorum. Your shares are counted as present at the meeting if you are present and vote in person at the meeting or if you have properly returned a proxy by Internet, telephone or mail. Abstentions and broker non-votes also will be counted for purposes of establishing a quorum.

Table of Contents

How are votes tabulated?

The results of shareholder voting will be tabulated by the independent inspectors of election appointed for the Annual Meeting.

What is the effect of an *ABSTAIN* vote?

Abstentions are considered to be present and entitled to vote with respect to each relevant proposal, but will not be considered a vote cast with respect to that proposal.

How will my shares be voted?

If you vote by mail, through the Internet, by telephone or in person, your shares of Common Stock will be voted as you direct.

If you sign and return your **BLUE** proxy card, but do not specify how your shares of Common Stock are to be voted, your shares of Common Stock will be voted, except in the case of broker non-votes, where applicable, as recommended by the Board.

We recommend that you vote on your **BLUE** proxy card as follows:

FOR ALL of the director nominees listed under the caption **PROPOSAL 1 ELECTION OF DIRECTORS** beginning on page [];

FOR the approval of the advisory resolution on executive compensation, as described under the caption **PROPOSAL 2 ADVISORY APPROVAL OF THE COMPANY'S EXECUTIVE COMPENSATION** beginning on page [];

FOR the ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending May 31, 2015, as described under the caption **PROPOSAL 3 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM** beginning on page [];

FOR the proposal to amend the Company's Bylaws to provide for proxy access, as described under the caption **PROPOSAL 4 AMENDMENT TO BYLAWS TO PROVIDE FOR PROXY ACCESS** beginning on page [];

as the Board has already appointed an independent chairman, neither ***FOR*** nor ***AGAINST*** the shareholder proposal described under the caption **PROPOSAL 5 SHAREHOLDER PROPOSAL REGARDING INDEPENDENT CHAIR** beginning on page [];

AGAINST the shareholder proposal described under the caption **PROPOSAL 6 SHAREHOLDER PROPOSAL REGARDING POLITICAL CONTRIBUTIONS** beginning on page []; and

AGAINST the shareholder proposal described under the caption **PROPOSAL 7 SHAREHOLDER PROPOSAL REGARDING LOBBYING DISCLOSURE** beginning on page [].

We strongly urge you to discard any proxy card sent to you by Starboard.

How will voting on any other business be conducted?

We have not received proper notice of, and are not aware of, any business to be transacted at the Annual Meeting other than the proposals described in this Proxy Statement. If any other business is properly presented at the Annual Meeting, the proxies received will be voted on such matter in accordance with the discretion of the proxy holders.

Table of Contents

What are the voting requirements for the proposals discussed in the Proxy Statement?

Proposal 1 Election of Directors

Starboard has notified us that it intends to nominate a slate of twelve nominees for election as directors to your Board at the Annual Meeting in opposition to the nominees recommended by your Board. Accordingly, only the nominees receiving the highest number of **FOR** votes will be elected at the Annual Meeting. Broker non-votes and abstentions will not be treated as votes cast.

In an uncontested election of directors, as in a contested election, the twelve nominees receiving the highest number of **FOR** votes will be elected. However, in an uncontested election, if a nominee for director does not receive at least a majority of the votes cast (*i.e.*, the votes cast for such nominee's election must exceed the votes cast against such nominee's election), the director will promptly tender his or her resignation to the Board. The Annual Meeting is expected to be contested on account of Starboard's competing nominations. The Board expects to adopt a majority voting election standard for application to uncontested elections beginning with the 2015 Annual Meeting of Shareholders.

Proposal 2 Advisory Approval of the Company's Executive Compensation

This advisory vote is non-binding but the Board and the Compensation Committee will give careful consideration to the results of voting on this proposal. The approval of the advisory resolution on executive compensation requires the affirmative vote of a majority in voting interest of the shareholders present in person or by proxy and voting thereon. Broker non-votes will not be treated as votes cast. Abstentions will not be counted as votes **FOR** or **AGAINST** the proposal.

Proposal 3 Ratification of Appointment of Independent Registered Public Accounting Firm

The ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending May 31, 2015 requires the affirmative vote of a majority in voting interest of the shareholders present in person or by proxy and voting thereon. Abstentions will not be counted as votes **FOR** or **AGAINST** the proposal.

Proposal 4 Amendment to Bylaws to Provide for Proxy Access

The approval of the proposal described under the caption **PROPOSAL 4 AMENDMENT TO BYLAWS TO PROVIDE FOR PROXY ACCESS** requires the affirmative vote of a majority in voting interest of the shareholders present in person or by proxy and voting on the proposal. Abstentions and broker non-votes will not be counted as votes **FOR** or **AGAINST** this proposal.

Proposal 5 Shareholder Proposal Regarding Independent Chair

The approval of the shareholder proposal described under the caption **PROPOSAL 5 SHAREHOLDER PROPOSAL REGARDING INDEPENDENT CHAIR** requires the affirmative vote of a majority in voting interest of the shareholders present in person or by proxy and voting on the proposal. Abstentions and broker non-votes will not be counted as votes **FOR** or **AGAINST** this shareholder proposal.

Proposal 6 Shareholder Proposal Regarding Political Contributions

The approval of the shareholder proposal described under the caption **PROPOSAL 6 SHAREHOLDER PROPOSAL REGARDING POLITICAL CONTRIBUTIONS** requires the affirmative vote of a majority in voting interest of the shareholders present in person or by proxy and voting on the proposal. Abstentions and broker non-votes will not be counted as votes **FOR** or **AGAINST** this shareholder proposal.

Table of Contents

Proposal 7 Shareholder Proposal Regarding Lobbying Disclosure

The approval of the shareholder proposal described under the caption **PROPOSAL 7 SHAREHOLDER PROPOSAL REGARDING LOBBYING DISCLOSURE** requires the affirmative vote of a majority in voting interest of the shareholders present in person or by proxy and voting on the proposal. Abstentions and broker non-votes will not be counted as votes **FOR** or **AGAINST** this shareholder proposal.

Where do I find the voting results of the meeting?

We will publicly report voting results once they are available.

What should I do if I have other questions?

If you have any questions or require any assistance with voting your shares, please contact our proxy solicitor, Innisfree, toll-free at (877) 825-8631 (banks and brokers may call collect at (212) 750-5833).

Table of Contents

BACKGROUND OF THE STARBOARD SOLICITATION

On December 23, 2013, Starboard filed a Schedule 13D with the SEC (the "Schedule 13D") disclosing a 5.6% interest in the Company. According to the Schedule 13D, Starboard acquired 71% of its interest in the Company in the two trading days after the Company's December 19, 2013 announcement of its comprehensive strategic plan at an average share price of \$50.66.

Consistent with the Company's commitment to welcoming shareholder input toward the goal of enhancing shareholder value, members of the Company's management had the first discussion with representatives of Starboard on January 8, 2014 to discuss Starboard's views on the Company and its strategic alternatives.

On January 21, 2014, four weeks after Starboard acquired the bulk of its interest, Starboard delivered a letter to the Company's Chairman and CEO, Clarence Otis, Jr., and the Board, expressing Starboard's opposition to the Company's comprehensive strategic plan and support for an alternative transaction involving the Company's real estate and the possibility of a break-up of the Company's brands into two separate companies.

On January 29, 2014, as part of the Company's continued efforts to work constructively with its shareholders, including Starboard, to enhance shareholder value, the Company's management again met with representatives of Starboard at the Company's headquarters. During the meeting, management further discussed with Starboard its rationale for the Company's comprehensive strategic plan.

On February 10, 2014, Starboard delivered another letter to Mr. Otis and the Board, reiterating its opposition to the planned separation of Red Lobster from the Company. In the letter, Starboard announced that it was currently evaluating all options and that it was prepared to take all steps necessary to hold the Board accountable for its actions, including nominating a majority slate of director candidates and seeking the support of our fellow shareholders to replace a majority of the Board at the 2014 Annual Meeting. Starboard also reaffirmed its alternative plan for the Company, including the potential break-up of the Company's brands and assets.

On February 24, 2014, Starboard filed a preliminary consent solicitation statement with the SEC announcing its intent to solicit written requests from the Company's shareholders to demand the Company call a special meeting of the shareholders. At the same time, Starboard released an open letter to shareholders.

On March 3, 2014, the Company issued a press release and investor presentation titled "Strategic Action Plan to Enhance Shareholder Value." Following the release, the Company held a conference call with analysts and investors to discuss the presentation and the Company's comprehensive strategic plan.

On March 10, 2014, the Company filed a Form 10 Registration Statement with the SEC in preparation for a potential spin-off of Red Lobster, which was being considered in conjunction with the Red Lobster sales process.

On March 12, 2014, Starboard delivered a letter to the Corporate Secretary requesting a shareholder list for the Company.

On March 18, 2014, the Company filed a preliminary revocation solicitation statement with the SEC opposing Starboard's Special Meeting consent solicitation.

On March 20, 2014, Starboard filed a definitive consent sollicitati