



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

July 29, 2025

A. Noni Holmes-Kidd
Darden Restaurants, Inc.

Re: Darden Restaurants, Inc. (the "Company")
Incoming letter dated May 16, 2025

Dear A. Noni Holmes-Kidd:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Humane World for Animals (f/k/a the Humane Society of the United States) for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal asks the Company to disclose measurable targets for reducing its greenhouse gas emissions.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). Under the approach described in Staff Legal Bulletin No. 14M (Feb. 12, 2025), the Company has not explained whether the policy issue raised by the Proposal is significant to the Company. Therefore, in our view, the Company has not demonstrated that the Proposal relates to its ordinary business operations. In addition, in our view, the Proposal does not seek to micromanage the Company.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(10). In our view, the Company has not substantially implemented the Proposal.

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Melissa Alpert
Humane World for Animals



Olive Garden ▪ LongHorn Steakhouse ▪ Yard House ▪ Ruth's Chris Steak House ▪ Cheddar's Scratch Kitchen
The Capital Grille ▪ Chuy's ▪ Seasons 52 ▪ Eddie V's ▪ Bahama Breeze

VIA SEC ONLINE PORTAL

May 16, 2025

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

RE: Darden Restaurants, Inc. – 2025 Annual Meeting
Exclusion of Shareholder Proposal of The Humane Society

Addressee:

We are writing on behalf of Darden Restaurants, Inc., a Florida corporation ("**Darden**" or the "**Company**"), pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), to notify the Staff of the Division of Corporation Finance (the "**Staff**") of the Securities and Exchange Commission (the "**Commission**") of Darden's intention to exclude the shareholder proposal and supporting statement (the "**Humane Society Proposal**") submitted by The Humane Society ("**Humane Society**" or the "**Proponent**") from the proxy materials to be distributed by Darden in connection with its 2025 annual meeting of shareholders (the "**2025 Proxy Materials**"). The Humane Society Proposal and related correspondence are attached hereto as Exhibit A.

We submit this letter pursuant to Rule 14a-8(j) and are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of Darden's intent to exclude the Humane Society Proposal from the 2025 Proxy Materials. This letter is being filed with the Commission no later than 80 calendar days before the date the Company expects to file its 2025 Proxy Materials with the Commission in accordance with Rule 14a-8(j).

Rule 14a-8(k) promulgated under the Exchange Act and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent submits correspondence to the Commission or the Staff with respect to the Humane Society Proposal, a copy of that correspondence should concurrently be furnished to the undersigned.

The Humane Society Proposal

The text of the resolution contained in the Humane Society Proposal is set forth below:

Resolved: Shareholders ask Darden to disclose measurable targets for reducing its greenhouse gas (GHG) emissions.

Basis for Exclusion

As discussed in more detail below, the Company respectfully requests that the Staff concur in its view that the Humane Society Proposal may be excluded from the 2025 Proxy Materials pursuant to:

- Rule 14a-8(i)(7) promulgated under the Exchange Act, because the Humane Society Proposal relates to the Company's ordinary business operations and seeks to micromanage the Company; and
- Rule 14a-8(i)(10) promulgated under the Exchange Act, because the action requested by the Humane Society Proposal has already been substantially implemented by the Company.

I. *Executive Summary*

A. Ordinary Business and Micromanagement under Rule 14a-8(i)(7)

Exclusion of the Humane Society Proposal pursuant to Rule 14a-8(i)(7) is proper because it seeks to override the Company's careful analysis of its greenhouse gas ("**GHG**") emission reduction efforts, which falls squarely within the Company's ordinary business operations. As further explained below, the Staff has consistently determined that decisions relating to emission reduction efforts constitute ordinary business operations over which shareholders lack the necessary insight and experience to make decisions. Darden's management has used its professional experience and judgment to evaluate the risks posed by its GHG emissions and has thoughtfully determined appropriate measures to address such risks. For example, the Company has established a robust enterprise risk management ("**ERM**") process, whereby the Nominating and Governance Committee of the Company's Board of Directors (the "**Board**") monitors climate-related risks and reports to the full Board to identify and pursue appropriate strategies for managing such risks. Additionally, Darden already voluntarily discloses its Scope 1, 2 and 3 GHG emissions, which management has carefully determined is a more meaningful approach to GHG emissions reduction efforts than arbitrary target-setting. The Company has also made its stance on target-setting clear in public disclosures to its shareholders: Darden is not willing to set arbitrary reduction targets

without knowing if and how such targets can be achieved.¹ The Humane Society Proposal is an impermissible attempt to override Darden’s publicly disclosed decision not to set GHG emissions targets, which decision was carefully evaluated by Company management and the Board in their professional business judgment. Instead, the Humane Society Proposal would require Darden to adopt arbitrary emissions reduction targets with no guarantee of success and in contradiction to its clearly stated policy decision on the matter.

B. Substantial Implementation under Rule 14a-8(i)(10)

Exclusion of the Humane Society Proposal pursuant to Rule 14a-8(i)(10) is proper because Darden has already satisfied the “essential objective” of the Humane Society Proposal by taking concrete actions to reduce its GHG emissions and by voluntarily publicly reporting its Scope 1, 2 and 3 GHG emissions. The Staff has expressly noted that a proposal may be “substantially implemented” even if a company does not take the exact actions specified by the proposal or in the exact manner requested by the proposal. As further explained below, the Company has taken various steps to reduce its GHG emissions, including executing renewable energy contracts for its restaurants, testing advanced kitchen equipment to reduce energy usage, conducting a TCFD Risk Review, and more. Most notably, the Company also voluntarily discloses its Scope 1, 2 and 3 emissions through its annual Impact Report. Such actions align with the “essential objective” of the Humane Society Proposal as they serve to meaningfully reduce and disclose the Company’s GHG emissions, making exclusion of the Humane Society Proposal appropriate.

II. *The Humane Society Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Relates to the Company’s Ordinary Business Operations and Seeks to Micromanage the Company.*

A. Regulatory Background

Rule 14a-8(i)(7) permits a company to exclude a shareholder proposal from its proxy materials if such proposal relates to the company’s ordinary business operations. Such an exclusion is meant to “confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.” *See* Exchange Act Release No. 34-40018 (May 21, 1998) (“the **1998 Release**”). The 1998 Release also set forth two central considerations underlying the ordinary business exclusion: (i) that “[c]ertain tasks are so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight” and (ii) “the degree to which the proposal seeks to ‘micromanage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” *Id.* Under the second prong of micromanagement analysis, the Staff

¹ *See* the Company’s 2024 Proxy Statement (stating that “Darden is not willing to set public goals if we don’t know how and when they can be achieved or if certain aspects of the achievement of those goals are not within our control.”).

has noted that it considers whether the proposal “seeks to impose specific...methods for implementing complex policies.” *Id.*

While the Staff previously denied exclusion of proposals that touched on a “significant social policy” on micromanagement grounds, recent guidance has altered this analysis. Under Staff Legal Bulletin 14M (“**SLB 14M**”), the Staff has now returned to a “company-specific” approach to micromanagement analysis and will evaluate significance based on the individual company, rather than focusing on whether a proposal raises an issue with broad societal impact. SLB14M also explicitly reinstates Staff Legal Bulletins 14J and 14K (“**SLB 14J**” and “**SLB14K**”, respectively). In SLB 14J, the Staff stated that a proposal “to generate a plan to reach net-zero greenhouse gas emissions by the year 2030” was excludable on micromanagement grounds because it “sought to impose specific timeframes or methods for implementing complex policies.” In SLB 14K, the Staff also noted the second prong of micromanagement analysis focuses on “an evaluation of the manner in which a proposal seeks to address the subject matter raised, rather than the subject matter itself.” Finally, SLB 14K made clear that if a proposal “prescribes specific actions that the company’s management or the board must undertake... the proposal may micromanage the company to such a degree that exclusion of the proposal would be warranted.”

The Staff has recently permitted exclusion of proposals which, like the Humane Society Proposal, seek to override management’s careful evaluation of certain business activities and policy decisions and prescribe the manner in which such matters are conducted. For example, in *Chevron Corp.* (Apr. 1, 2025) (“**Chevron**”), the Staff determined that a proposal requiring a company to “remove all emissions reduction targets covering greenhouse gas emissions from the [c]ompany’s operations and energy products” was properly excludable on micromanagement grounds. Similarly, in *Domino’s Pizza, Inc.* (Mar. 11, 2025), the Staff found that a proposal requesting that “[the company] issue a climate transaction plan, above and beyond existing disclosure, describing how it intends to align its operations and full value chain emissions with Domino’s climate ambitions” sought to micromanage the company. The Staff also concluded in *Hartford Insurance Group* (Apr. 3, 2025) that a proposal requesting “short and medium-term targets to reduce GHG emissions” warranted exclusion. *See also Exxon Mobil* (Mar. 21, 2025) (requesting removal of all GHG emission reduction targets); *Tesla* (Apr. 30, 2025) (requesting the board adopt a “comprehensive strategy to align with the goals of the Paris Climate Agreement”); *Tesla* (May 6, 2025) (requesting the company “commit to implementing a sustainable tire solution for [c]ompany vehicles as soon as possible”); *Evergy Inc.* (Mar. 21, 2025) (requesting a comparison of the company’s emission projections with its GHG emission reduction targets and those of its largest customers); *Targa Resources* (Mar. 27, 2025) (requesting an explanation of “how the [c]ompany intends to reduce its full range of Scope 1 and 2 operational greenhouse gas emissions in alignment with the Paris Agreement’s goals”); *Wyndham Hotels & Resorts, Inc.* (Mar.26, 2025) (requesting the company to “detail the [Wyndham Green] program’s certification process and requirements”); *Allstate Corp.* (Apr. 11, 2025) (requesting a report on how the company “intends to measure, disclose and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities”); and *Mondelez International* (Mar. 25, 2025) (requesting that the company “adopt a No Deforestation, No Peatland, No Exploitation (NDPE) policy”). In each case, the Staff found that such proposals

sought to supplant management's decisions regarding ordinary business operations to achieve certain environmental goals.

As explained below, the Humane Society Proposal implicates both considerations identified by the 1998 Release: tasks fundamental to management's daily operations and probing too deeply into matters upon which shareholders would not be in a position to make an informed judgment.

B. The Humane Society Proposal Interferes with Darden's Ordinary Business Operations and Decision-Making

The Humane Society Proposal specifically requests disclosure of "measurable targets for reducing...greenhouse gas (GHG) emissions." The type of detailed decision-making and reporting implicated by the Humane Society Proposal is entirely within the ordinary business of the Company, as GHG emissions touch nearly all aspects of Darden's business and operations and, similar to any management-level or strategic plan, are a "core matter involving the company's business operations." *See 1998 Release*. The "targets" requested by the Humane Society Proposal would impact operational decisions across restaurant management, such as energy usage, equipment purchases, supplier relationships and more. Such decisions fall squarely within the Company's ordinary business operations, over which shareholders lack the necessary experience and insight to propose changes.

The Proposal's request for "measurable targets" requires a different model for reporting progress toward emissions goals than the approach the Company has already adopted and seeks to interfere with and supplant management's prior decisions regarding GHG emissions reduction goals. In the same way the proposal in *Chevron* micromanaged the company by requiring the *removal* of emissions targets, the Humane Society Proposal micromanages Darden by requiring the *implementation* of emissions targets. As set forth in the *Chevron* no-action request, the Humane Society Proposal "attempts to replace management's judgment with that of the Proponent," and the Staff agreed that this was improper under Rule 14a-8(i)(7).

Implementing the Humane Society Proposal would necessarily involve replacing management's judgments on complex alignment and business decisions that are intimately tied to the Company's business goals and operations with a prescriptive target-setting approach. As the Proponent even notes in its Supporting Statement, Darden has already taken "steps to reduce [its] impact on the environment across [its] operations and supply chain without setting quantitative targets." The Company carefully identifies, prioritizes, and manages risks (including climate-related risks) to its business through its robust ERM processes, and such climate-related risk management has been explicitly elevated to be a Board-level responsibility. The Company's Audit Committee oversees the ERM process, and the Company's Nominating and Governance Committee, in accordance with its charter, monitors such risks and reports to the Board its findings and management's risk mitigation strategies for managing climate-related risks. The Company has carefully considered risk management options and believes its ERM processes are sufficient to manage climate-related risks, including GHG emissions. The Proposal dismisses the existing processes and

policies already implemented by the Company and its Board and instead prescribes a specific method (target-setting) that would supersede management's judgement. The Humane Society Proposal would interfere with the ability of the Company's management, Board, and Nominating and Governance Committee to identify and pursue appropriate strategies for managing the Company's climate-related risks by unnecessarily diverting their attention to arbitrary target-setting rather than more meaningful GHG emissions reduction efforts.

Darden's decision to emphasize risk management is coupled with its commitment to making public disclosures about its GHG emissions, rather than arbitrary target-setting as the Humane Society Proposal requests. Darden has voluntarily publicly reported performance in key environmental focus areas, including GHG inventory for its operations (Scope 1 and 2), since 2020 in its annual reports on Form 10-K. Darden has also chosen to disclose estimates for emissions from its supply chain (Scope 3) since 2023, previously on its website and most recently in its Fiscal Year 2024 Impact Report. The Company's disclosures of environmental metrics are aligned with guidance from the Sustainability Accounting Standards Board (SASB 2018-10) for the food and beverage sector. Darden's GHG emissions inventories are quantified in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (Scopes 1, 2 and 3) and the World Resources Institute (WRI)/World Business Council for Sustainable Development. This voluntary, comprehensive disclosure effort is based on the Company's operations and reliable data from its supply chain, rather than general targets and metrics that may not properly align with the Company's operations. Since 2022, Darden has utilized annual third-party validation from an accredited assurance provider for environmental performance data, including but not limited to GHG emissions inventories, to ensure accuracy in measurement and reporting. This assurance provider also verifies Darden's GHG inventory disclosures to a limited level of assurance each year by using Assurance and International Standard on Assurance Engagements (ISAE) 3000 and ISO 14064-3 (Second Edition 2019-4). The most recent assurance statement is included in the appendix of Darden's 2024 Impact Report.² The Company believes these well-established guidelines are appropriate to evaluate and manage its climate-related risks.

In the face of the Company's comprehensive disclosures and carefully considered risk management strategy and policies, the Humane Society Proposal seeks to substitute shareholders' judgment for that of the Company's management and Board when considering appropriate methods to address a complex, multifaceted issue. Management's development and implementation of meaningful GHG emissions goals are and should be based on the Company's business and operations rather than abstract, undefined "targets." Darden has clearly communicated its decision not to set targets because of its steadfast commitment to authentic and productive disclosures related to its GHG emissions. Accordingly, the Humane Society Proposal is properly excludable under Rule 14a-8(i)(7) because it seeks to replace the informed, reasoned and ongoing judgments of the Company's Board and management on matters of a complex nature with a course of action dictated by the Proponent, who has little insight on the Company's intricate operations.

² See <https://www.darden.com/sites/default/files/2025-02/DRI - 2024 Impact Report.pdf>.

C. The Humane Society Proposal Probes Too Deeply into Matters Upon Which Shareholders Could Not Make an Informed Judgment

The Company's management currently evaluates its operations and business activities across its restaurants and, together with its Board and certain Board committees, considers those activities when assessing risks related to GHG emissions and developing objectives to most effectively manage such risks while simultaneously balancing various other risks inherent to the Company's operations and business lines. This comprehensive approach is evidenced by and detailed in the Company's existing disclosures, including its 2024 Impact Report and annual reports on Form 10-K, as well as the strategies and policies implemented by the Company and its Board. While it may seem simple on its face, a request to commit to GHG emissions targets involves a highly complex analysis of variables and factors, many of which are out of the Company's control. As a result of the Board's careful consideration and analysis, the Company has explicitly stated that it is not willing to set public goals without knowing if they can be achieved.³ Darden, including its Board, believes it can more effectively manage its GHG emissions by focusing on the contributing factors and working to decrease emissions, rather than focusing on the expensive and complicated process of determining "measurable targets" that come with no guarantee of successfully lowering GHG emissions. Darden's business is complex and involves thousands of suppliers, vendors, franchises and other third parties across the country and the globe. Factors contributing to the Company's GHG emissions are also complex and encompass more than just the Company's extensive supply chain. Guidance on measuring such contributing factors also varies depending on category and type. For example, Scope 3 emissions from purchased goods are currently based on emission factors and not actual measurements at the farm or production level.⁴ As a result, the process of developing GHG emissions targets is complicated and involves such a deep and intricate knowledge of the Company's business and operations that shareholders are not the appropriate stakeholder group to assess the value of developing GHG emissions targets because they cannot fully comprehend the associated costs and the implications of implementing any such targets. As such, shareholders would not be in a position to make an informed judgment on the matter if put to a vote.

Darden has been clear with its shareholders that it takes GHG emissions seriously. The Company carefully evaluates the best approach to measure emissions accurately and to meaningfully reduce its environmental impact. Based on this analysis, Darden has made the strategic business decision not to set arbitrary, public emissions goals unless and until the Company is comfortable that such goals are achievable.⁵ Unlike the facts in *Columbia Sportswear Company* (Apr. 15, 2025), Darden has publicly communicated its position on setting arbitrary GHG emissions targets to its shareholders and explained the process and analysis undertaken by management and the Board in developing that position. Different than *Columbia Sportswear Company*, Darden has made public disclosures about setting GHG

³ *Supra* note 1.

⁴ See Darden's SASB Index and Other Environmental Disclosures, available at <http://www.darden.com/our-impact/communities/sustainability/climate-risks>.

⁵ *Supra* note 1.

emissions targets and explicitly determined in its assessment of the business that setting targets is not appropriate at this time.

To achieve the Humane Society Proposal's objectives, management would be required to subject its day-to-day considerations of the relationship between the Company's entire business and operations and GHG emissions goals to shareholder oversight. This is impractical because management of the Company's highly complex operations is inherently fact-specific and requires expert oversight. The Humane Society Proposal is an attempt to micromanage the Company in how it seeks to control the complex and granular task of reducing the Company's emissions. It inappropriately seeks to interfere with management's careful analysis of the issue and ability to operate the Company's day-to-day business and should therefore be excluded under Rule 14a-8(i)(7).

III. *The Humane Society Proposal May Be Excluded Under Rule 14a-8(i)(10) Because the Company Has Already Substantially Implemented the Action Requested by the Humane Society Proposal.*

A. Regulatory Background

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has already "substantially implemented" the proposal. The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." *Exchange Act Release No. 12598* (July 7, 1976). Originally, the Staff narrowly interpreted this predecessor rule and granted no-action relief only when proposals were "'fully' effected" by the company. *Exchange Act Release No. 19135* (Oct. 14, 1982). In 1983, however, the Commission recognized that a formalistic application of the rule requiring full implementation "defeated [the rule's] purpose" because proponents were successfully convincing the Staff to deny no-action relief by submitting proposals that differed from existing company policy by only a few words. *Exchange Act Release No. 20091* (Aug. 16, 1983) (the "**1983 Release**"). Therefore, in the 1983 Release, the Commission adopted a revised interpretation of the rule to permit the omission of proposals that had been "*substantially implemented.*" *Id.* (emphasis added). The Commission codified this revised interpretation in *Exchange Act Release No. 40018* (May 21, 1998).

The Staff has noted that "a determination that the company has substantially implemented the proposal depends on whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc.* (avail. Mar. 28, 1991). See also, e.g., *Anavex Life Sciences Corp.* (May 2, 2023); *Best Buy Co., Inc.* (Apr. 22, 2022); *BlackRock, Inc.* (Apr. 2, 2021); *JPMorgan Chase & Co.* (Mar. 9, 2021); *Devon Energy Corp.* (Apr. 1, 2020); *Johnson & Johnson* (Jan. 31, 2020); *Pfizer Inc.* (Jan. 31, 2020); *The Allstate Corp.* (Mar. 15, 2019); *Johnson & Johnson* (Feb. 6, 2019); *United Cont'l Holdings, Inc.* (Apr. 13, 2018); *eBay Inc.* (Mar. 29, 2018); *Kewaunee Scientific Corp.* (May 31, 2017); and *Wal-Mart Stores, Inc.* (Mar. 16, 2017). The Staff has consistently taken the position that a proposal has been "substantially implemented" and may be excluded under Rule 14a-8(i)(10) when a company can demonstrate that it has already taken actions to address the

underlying concern and “essential objective” of the proposal. *See, e.g., Eli Lilly and Co.* (avail. Jan. 8, 2018); *Korn/Ferry International* (avail. July 6, 2017); *NETGEAR, Inc.* (avail. Mar. 31, 2015); *Pfizer, Inc.* (avail. Jan. 11, 2013, recoil. Mar. 1, 2013); *Exelon Corp.* (avail. Feb. 26, 2010); *Hewlett-Packard Co.* (avail. Dec. 11, 2007). Excluding a proposal under Rule 14a-8(i)(10) is proper when a company has substantially implemented and therefore satisfied the “essential objective” of a proposal, even if the company did not take the exact action requested by the proponent, did not implement the proposal in every detail, or exercised discretion in determining how to implement the proposal. *See Salesforce.com, Inc.* (Apr. 20, 2021); *Apple Inc.* (Dec. 17, 2020); *Wal-Mart Stores, Inc.* (Mar. 25, 2015); and *Exelon Corp.* (Feb. 26, 2010).

The Staff recently addressed a similar proposal in *Alliant Energy Corp.* (Mar. 30, 2023) and found that the company had already substantially implemented the proposal’s essential objective in its existing public disclosures and emission reduction efforts. Specifically, Alliant demonstrated that its existing ESG and climate reports detailing its emission reduction efforts already satisfied the essential objective of a shareholder proposal requesting annual updates on the company’s progress toward net-zero carbon dioxide emissions. As further explained below, Darden’s existing policies and disclosures, including its Impact Report and regular public filings, similarly achieve the essential objective of the Humane Society Proposal.

B. The Company’s Existing Policies and Disclosures Regarding Emission Reduction Efforts Already Satisfactorily Address the Humane Society Proposal’s Essential Objective

The Company is committed to continuous improvement in managing the environmental and climate risks and impacts resulting from its operations and supply chain through data-driven, scientifically proven strategies that align with core business priorities. As such, the Company has taken a variety of steps to reduce its environmental impact without setting the quantitative targets of the type requested in the Humane Society Proposal. For example, as of the end of the Company’s fiscal year 2024 and as disclosed in the 2024 Impact Report, the Company executed renewable energy contracts to provide power for 79 restaurants from 15 different community solar projects and/or battery storage, and the Company continues to evaluate opportunities to expand this program.⁶ Darden has also tested advanced kitchen equipment in its restaurants to improve energy efficiency and reduce emissions, in addition to working with experts to conduct a TCFD Risk Review. Darden is also addressing the largest source of GHG emissions in its value chain by supporting its protein supply chain partners in advancing the measurement and disclosure of GHG emissions. Darden supports and engages directly with suppliers and commodity-specific organizations to promote environmental performance and disclosures, including the US Roundtable for Sustainable Beef, the Meat Institutes’ Protein Pact, the United States Roundtable for Sustainable Eggs and many others. Darden believes supporting and actively engaging with these organizations will advance environmental performance opportunities for its operations as well as for its supply chain members, civil society and non-governmental

⁶ *Supra* note 2.

organizations. Darden has also funded research to measure the most impactful commodities within its value chain in order to improve GHG emission measurements. The Company has thus already satisfied essential objective of the Humane Society Proposal by taking concrete action to reduce its GHG emissions.

Darden has also substantially implemented the Humane Society Proposal by regularly disclosing emissions-related data. The Company has publicly reported performance in key environmental focus areas, including the GHG inventory for its operations (Scope 1 and 2), since 2020 in its annual reports on Form 10-K. Darden has reported other key metrics including energy and water usage, waste generation, results of deforestation assessments and diversion of food through its Harvest Program on its corporate website since 2012 and updates those disclosures annually. Darden began disclosing estimates for GHG emissions from its supply chain (Scope 3) on its corporate website in 2023. Darden has also aligned its disclosures of environmental metrics with guidance from the Sustainability Accounting Standards Board (SASB 2018-10) for the food and beverage sector. The foregoing disclosures, including with respect to Scope 1, 2, and 3 GHG emissions, are included in the Company's 2024 Impact Report, which is updated annually. As stated in its 2024 Impact Report, the Company is committed to improving the quality of its emissions data over time, which will allow the Company to refine its strategy further for greater impact and to continue to set meaningful, actionable, and Company-specific goals. However, despite Darden's robust voluntary disclosures that already satisfy the Humane Society Proposal's essential objective, the Humane Society Proposal seeks to impose on Darden's management yet another reporting regime that does not have clear or definable goals and that may not be within the Company's control. Further, to implement the Humane Society Proposal would not be a responsible use of Darden's resources and likely would add little to no incremental transparency to its stakeholders.

As set forth above, the Company already substantially discloses its emission reduction efforts in alignment with the essential objective of the Humane Society Proposal. Accordingly, the Company believes it has already substantially implemented the Humane Society Proposal and that it should therefore be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(10).

Conclusion

Based on the foregoing analysis, we respectfully request that the Staff concur that it will take no action if Darden excludes the Humane Society Proposal from its 2025 Proxy Materials.

Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Darden's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Correspondence regarding this letter and the Proposal should be sent to NHolmesKidd@darden.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (407) 245-5931.

Very truly yours,

A. Noni Holmes-Kidd

A. Noni Holmes-Kidd

Senior Vice President, Associate General Counsel

Enclosures

cc: Ms. Karla Dumas, The Humane Society

Ms. Mayme Donohue, Hunton Andrews Kurth LLP

Exhibit A

The Humane Society Proposal and Related Correspondence





January 30, 2025

Matt Broad
SVP, General Counsel, Chief Compliance Officer, Corporate Secretary
Darden Restaurants, Inc.

Via email: [REDACTED]

Dear Mr. Broad,

Enclosed with this letter is a shareholder proposal submitted for inclusion in the proxy statement for the next annual meeting and a letter from The Humane Society of the United States' (HSUS) brokerage firm, BNY Mellon, confirming ownership of your company's common stock.

The HSUS has continuously held at least \$2,000 in market value of the company's securities entitled to vote on the proposal for at least three years through the date of this letter; we will hold at least this amount through and including the date of the next annual meeting.

Please e-mail me to confirm receipt of this proposal, and please send all correspondence about this submission to me *via electronic means only* at the email address below.

As well, I am available to discuss this proposal via teleconference at your earliest convenience. Specifically, I am available between 3:00pm and 4:00pm ET on February 24 or 25.

If you'd like to meet, please let me know if there is a time in there that works for you, or propose alternatives, and I'll be happy to schedule a call.

Sincerely,

Karla Dumas

Karla Dumas
Vice President, Farm Animal Protection
The Humane Society of the United States
[REDACTED]

January 30, 2025

Matthew R. Broad
SVP, General Counsel, Chief Compliance Officer and Corporate Secretary
Darden Restaurants, Inc.

Via email: [REDACTED]

Dear Mr. Broad,

BNY Mellon National Association, custodian for The Humane Society of the United States, verifies that The HSUS has continuously held at least \$2,000 in market value of your company's securities entitled to vote on the proposal for at least three years. Thank you.

Sincerely,

Stacy L. Stout

Stacy Stout
Vice President, Client Service
BNY Wealth
Global Family Office
500 Grant Street, 151-3840
Pittsburgh, PA 15258

[REDACTED]
bnywealth.com

Resolved: Shareholders ask Darden to disclose measurable targets for reducing its greenhouse gas (GHG) emissions.

Supporting statement:

In 2023, Darden shareholders voted on a proposal requesting Paris Agreement-aligned reduction targets for Scopes 1 – 3 emissions. Then, in 2024, another proposal requested a report on “if and how” Darden will reduce Scopes 1 – 3 emissions in alignment with the Paris Agreement. Each garnered over 20% of the vote.

However, other shareholder proposals seeking reduction targets *passed* in 2024.

At Jack in the Box, one garnered over 56% of the vote, one at Wingstop also passed, and one at Denny’s achieved 49.9% of the vote¹ — all with support from BlackRock, Institutional Shareholder Services (ISS), and Glass Lewis alike.

One fundamental difference is that those proposals, unlike the previous Darden proposals, requested targets *without seeking to prescribe what they should be*—which is also true of this proposal.

For context, opposing the 2023 proposal, Darden said it’s “not willing to set goals if we don’t know how and when they can be achieved” and attempted to minimize its lack of measurable emission reduction goals by touting its “history of taking steps to reduce our impact on the environment across our operations and supply chain without setting quantitative targets.”

But taking steps without goals is like building a house without blueprints.

To see how that’s going, we examined Darden’s 2017 to 2024 emissions using the data in its latest Impact Report and archives of its “Taking Action on Climate Risks” webpage.

- Darden’s combined Scope 1 and 2 emissions reached an *all-time high* for that time period in 2024, with 818,117 metric tons CO₂e—nearly 14% higher than 2017.
- Its Scope 1 emissions (which Darden has the *most* control over) have risen nearly 40%.
- And, while Scope 1 and 2 per-restaurant “GHG intensity” dropped about 9% from 2017 to 2019, the decline rate has stalled significantly, dropping only 2.9% from 2022 to 2024, as total emissions rose.

This highlights the need for clear targets—and we believe the significant rise in emissions over eight years of measurements has provided *ample* time and reason to establish them.

Further, opposing Paris Agreement-aligned Scope 1, 2 and 3 targets shouldn’t preclude setting *any* targets.

Consider, for example, that although Darden’s statement opposing the 2023 proposal focused on a range of environmental (and other) initiatives, its *specific opposition to setting GHG targets* centered on the proposal’s request for supply chain (i.e., Scope 3) targets. By contrast, this proposal leaves to Darden’s discretion which scopes its targets should cover and what the targets should be.

In supporting the 2023 proposal, ISS said “setting greenhouse gas emission reduction targets would help [Darden] better align with its peers and address risks related to climate change.” As that’s still true, we encourage shareholders to vote “FOR” this proposal. Thank you.

¹ 52.4% if subtracting the number of shares controlled by officers/directors.



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June 18, 2025

Via Online Submission

U.S. Securities and Exchange Commission
Division of Corporate Finance
Office of Chief Counsel
100 F Street NE
Washington, DC 20549

Re: Darden Restaurants, Inc. — Shareholder Proposal submitted by Humane World for Animals (formerly called the Humane Society of the United States)

Ladies and Gentlemen:

I am writing on behalf of Humane World for Animals (formerly called the Humane Society of the United States) (the “Proponent”), who is the beneficial owner of common stock of Darden Restaurants, Inc. (the “Company”) and who has submitted a shareholder proposal (the “Proposal”) to the Company.¹ I am in receipt of a letter dated May 16, 2025 (“Letter”) sent to the Securities and Exchange Commission on behalf of the Company. In that letter, the Company contends that the Proposal may be excluded from the Company’s 2025 proxy statement. A copy of this reply is being emailed concurrently to counsel for the Company.

BACKGROUND

The Proposal asks the Company to disclose measurable targets for reducing its greenhouse gas emissions. This follows on numerous public pronouncements by the Company that it “recognizes our responsibility to conserve these resources and protect our planet for future generations,”² and that it has taken “steps to reduce our impact on the environment across our operations and supply chain,”³ including by measuring its Scope 1, 2, and 3 greenhouse gas emissions. Specifically, the Proposal states:

¹ Humane World for Animals is the proponent of the Proposal at issue, which was submitted to the Company prior to the organization’s name change, when the organization was still called the Humane Society of the United States.

² Darden, Impact Report 2024 at 22, available at <https://www.darden.com/sites/default/files/2024-08/DRI%20-%202024%20Impact%20Report.pdf> (herein “Impact Report”).

³ Darden, 2024 Proxy Statement at 53-55, available at <https://investor.darden.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=17729763> (herein “2024 Proxy”).

RESOLVED: Shareholders ask Darden to disclose measurable targets for reducing its greenhouse gas (GHG) emissions.

The supporting statement explains that, despite Darden’s profession to have taken steps to reduce its environmental impact without setting such goals, “taking steps without goals is like building a house without blueprints.” Ex. 1. It further explains that “this proposal leaves to Darden’s discretion which scopes its targets should cover and what the targets should be.” The full proposal is attached as Exhibit 1.

The Company mischaracterizes the Proposal as requiring the adoption of “arbitrary emissions reduction targets.” Letter at 3. To the contrary, the Proposal asks the Company to use its reasoned discretion to adopt measurable greenhouse gas emissions reduction targets, applying its proclaimed expertise (*see e.g.* Letter at 9) to the facts particular to the Company’s circumstances in order to identify appropriate targets. The Proposal does not dictate any specific targets, nor any specific timelines, nor even any specific category of greenhouse gas emissions to be included within those targets (*e.g.* Scope 1, 2, and/or 3); these elements are all left entirely within the Company’s discretion. If the Company elects to identify “arbitrary” targets rather than reasoned and achievable targets, that would be the Company’s choice, not an outcome dictated by the Proposal.

The Company also fails to explain why the Proposal is legally excludable under either Rules 14a-8(i)(7) or 14a-8(i)(10). Instead, its Letter primarily discusses why the Company believes the Proposal is not in the interest of the Company—a topic for a proxy opposition statement, perhaps, but not a basis for exclusion from the proxy materials. Companies must show not merely disagreement with a shareholder proposal, but legal grounds to exclude it from shareholder consideration. Because the Company has not met its burden to show why the Proposal is excludable under either Rule—and because the Proposal is indeed not excludable under either Rule—the Company’s no-action request should be denied.

First, the Proposal is not excludable under Rule 14a-8(i)(7) because it concerns a significant policy issue that transcends ordinary business matters. *See* SEC Release No. 34-40018 (May 21, 1998) (“1998 Release”). SEC Staff have repeatedly found that proposals on greenhouse gas emissions concern significant policy issues transcending ordinary business matters and are not excludable. The Company does not address this topic in its Letter: it does not dispute that the Proposal raises a significant policy issue of greenhouse gas emissions, and it does not dispute that this policy issue is of sufficient nexus to the Company. It offers no substantive analysis of the issue at all. Because the Company bears the burden of proof to justify the Proposal’s exclusion from its proxy, *see* Rule 14a-8(g), the Company’s silence on this issue is fatal to its claim that the Proposal is excludable.

Second, the Proposal is not excludable under Rule 14a-8(i)(7) because it does not infringe on ordinary business matters. The Proposal does not concern granular day-to-day

operations, nor delve into matters that are impractical to subject to shareholder oversight. It merely asks the Company to identify high-level, measurable greenhouse gas emissions reduction targets. Third, the Proposal is not excludable under Rule 14a-8(i)(7) because it does not micromanage the Company through prescriptive demands. It imposes no “intricate[ly] detail[ed]” requirements, nor any “specific timeframes or methods for implementing complex policies.” See Staff Legal Bulletin No. 14K § B.4 (Oct. 16, 2019). Instead, the Company leaves entirely to the Company’s discretion the selection of specific reduction targets, the types of greenhouse gas emissions covered (e.g. Scopes 1, 2, 3), and the applicable timeframe. All the Proposal asks is that the Company identify measurable reduction targets, so that shareholders are better able to assess the Company’s progress in addressing its environmental impact through reduction of greenhouse gas emissions.

Fourth, the Proposal is not excludable under Rule 14a-8(i)(10) because the Company has not substantially implemented the Proposal. The Company has not set greenhouse gas emissions reduction targets, nor taken any actions that would address the essential objective of the Proposal. Its cited actions—measuring its greenhouse gas emissions, undertaking ad-hoc sustainability projects, and vague “support” and “engage[ment]” of industry roundtables, Letter at 9—fall far short of the Proposal’s request to identify measurable greenhouse gas reduction targets.

The Company has not, and cannot, carry its burden of proof to exclude this Proposal under either Rule 14a-8(i)(7) or Rule 14a-8(i)(10). See Rule 14a-8(g). Accordingly, the Proponent asks that the Company’s no-action request be denied.

ANALYSIS

I. The Proposal May Not Be Excluded Under Rule 14a-8(i)(7).

The Proposal may not be excluded under Rule 14a-8(i)(7). The Proposal raises a long-recognized significant policy issue that transcends the Company’s ordinary business, and does not infringe on ordinary business matters. The Proposal does not micromanage through intricate detail or imposition of specific timeframes or methodologies. It merely requests the identification and disclosure of measurable greenhouse gas emissions reduction targets, and leaves the specifics (such as the categories of greenhouse gas emissions targeted, the amount of those reduction targets, and the timeframe for reduction) firmly within the Company’s discretion.

A. The Proposal concerns the Company’s greenhouse gas emissions, a significant policy issue that transcends the Company’s ordinary business.

SEC Staff have long recognized that proposals relating to ordinary business matters under Rule 14a-(i)(7) “but focusing on sufficiently significant social policy issues” are generally not excludable, “because the proposals would transcend the day-to-day business

matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” 1998 Release. Staff will conduct “a ‘case-by-case’ consideration of a particular company’s facts and circumstances,” to assess whether “a significant policy issue [] has a sufficient nexus to a particular company.” Staff Legal Bulletin No. 14M (CF) (Feb. 12, 2025). Despite the Letter’s apparent misreading of Bulletin No. 14M, that Bulletin has not invalidated the 1998 Release nor its explanation of the “significant social policy” exception to Rule 14a-(i)(7), which has been the foundation of no-action analyses for decades. *See* Letter at 4. (The Letter also incorrectly claims that the significant policy analysis is relevant to the micromanagement analysis of Rule 14a-(i)(7). Letter at 4. It is instead relevant to the subject matter analysis. *See* 1998 Release.)

The instant Proposal is concerned with a subject matter that Staff has long recognized as raising a significant policy issue transcending ordinary business matters: greenhouse gas emissions and disclosure of plans to reduce them. *See, e.g., Ross Stores, Inc.* (March 29, 2019) (proposal to prepare a report on how company was aligning its long-term business strategy with the projected long-term constraints posed by climate change, and describing medium- and long-term goals for greenhouse gas reduction transcends ordinary business matters); *Lowe’s Companies, Inc.* (March 10, 2017) (proposal to prepare a report assessing climate benefits and feasibility of adopting quantitative, time-bound targets for increasing Lowe’s renewable energy sourcing and/or production transcends ordinary business matters). Greenhouse gas emissions are a topic of considerable shareholder interest, and shareholder proposals requesting transparency into companies’ plans to measure and address these emissions have been filed numerous times over the past decades. From start to finish, the Proposal’s subject matter focuses on that overriding, significant policy issue, and makes one request: that the Company set measurable reduction target goals for its greenhouse gas emissions.

The Proposal’s request for greenhouse gas emissions reduction targets also bears a strong nexus to the Company and its stated priorities. The Company has made repeated proclamations that it prioritizes reducing its environmental impact, including its greenhouse gas emissions. *See, e.g.,* Impact Report at 23-27 (claiming that it makes efforts “to mitigate GHG emissions where possible,” “strives for continuous improvement in the environmental performance of our operations and in our supply chain,” and is taking “efforts to reduce fossil fuel use and resulting emissions”); 2024 Proxy at 54 (“Darden has a history of taking steps to reduce our impact on the environment across our operations and supply chain”). As a result, the Company reports that it has been measuring its Scope 1 and 2 emissions since 2020, and its Scope 3 emissions since either 2022, 2024 Proxy at 54, or 2023, Letter at 6. The Company has also elevated climate risks concern to the Board level. 2024 Proxy at 53; Letter at 2. The Letter reiterates that the Company is “taking concrete actions to reduce its GHG emissions,” is “voluntarily publicly reporting its Scope 1, 2 and 3 GHG emissions,” and “has taken a variety of steps to reduce its environmental impact.” Letter at 3, 9.

The Company bears the burden to “demonstrate that it is entitled to exclude a proposal,” Rule 14a-8(g), including showing that the Proposal does not raise a significant policy issue transcending ordinary business matters. But the Letter makes no such effort. The Letter does not dispute that greenhouse gas emissions are a significant policy issue. *See generally* Letter. The Letter does not dispute that the Proposal concerns a significant policy issue, nor that the policy issue has a nexus to the Company. *Id.* Indeed, the Letter contains no substantive analysis assessing whether the operative Proposal concerns a significant policy issue with a nexus to the Company. *See id.* Rather than conduct a relevant analysis, the Company incorrectly equates a “significant social policy” issue with a micromanagement analysis and confines its discussion to the latter topic. *See* Letter at 4. (As discussed further *infra* § I.C, the instant Proposal also raises no micromanagement concerns.)

Because the Company bears the burden of showing that the Proposal fails to raise a significant policy issue, the Company’s failure to disprove (or even address) the claim that the Proposal concerns a significant policy issue is fatal to its request to exclude. *See* Rule 14a-8(g); *see also The TJX Companies, Inc.* (Apr. 9, 2020) (where “the Proposal indicates that the policy issue . . . is significant to the Company, the Company must meet its burden of showing that the Proposal is not significant to it”); *Amazon.com, Inc.* (Apr. 3, 2019) (unable to concur in exclusion where company had not shown “that this particular proposal is not sufficiently significant to the Company’s business operations such that exclusion would be appropriate”). By neglecting to substantively discuss or dispute the fact that this Proposal raises a significant policy issue of significant nexus to the Company, the Company necessarily fails to meet its burden to justify excluding the proposal under Rule 14a-(i)(7).

B. The Proposal does not relate to the Company’s “ordinary business operations” because it does not involve the type of day-to-day business decisions covered by that provision.

The Commission has explained that, for purposes of Rule 14a-8(i)(7), “ordinary business” matters are those that are “so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” 1998 Release. As used in this Rule, the term “ordinary business” “refers to matters that are not necessarily ‘ordinary’ in the common meaning of the word,” but has a more specialized meaning “rooted in the corporate law concept [of] providing management with flexibility in directing certain core matters involving the company’s business and operations.” *Id.* The purpose of the exception is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.” *Id.*

The instant Proposal does not dictate or intrude on any such on-the-ground business practices. It merely makes a high-level request that the Company disclose measurable greenhouse gas emissions reduction targets. The amount of the targets, the type of greenhouse gas emissions targeted for reduction, and the timeline by which those targets

should be achieved are all left entirely to the discretion of the Company. Applying its discretion, the Company can select a reduction target and timeline that it determines most appropriate for its business—the Proposal simply asks the Company to disclose such target to shareholders, enabling them to meaningfully assess Company progress on this issue. Such a proposal for a high-level goal is not an intrusion into matters “fundamental to management’s ability to run a company on a day-to-day basis” nor impractical to submit to shareholder vote. 1998 Release; *see also Goodyear Tire & Rubber Company* (Mar. 3, 2025) (Staff unable to concur that proposal requesting tire company’s board adopt policies resulting in tire wear shedding reduction goals and timelines was excludable on ordinary business grounds).

Moreover, this request follows on numerous disclosures and claims that the Company has already made about its efforts to address environmental and climate-related risks and to reduce its greenhouse gas emission impacts, as well as the Company’s publication of its own Scope 1, 2, and 3 greenhouse gas emissions data. *See supra* § I.A. Disclosing measurable greenhouse gas emissions reduction targets will allow shareholders to better assess the Company’s progress against environmental goals. And Rule 14a-(i)(7) permits shareholders to express their view on a policy of setting emissions reduction targets, even if the Company takes the position that it would prefer not to set such goals.

The Company claims that the Proposal is excludable because it infringes on the Company’s decision-making by conflicting with its stated preference to address climate risks and emissions in a different way: specifically, its preference to “emphasize risk management . . . coupled with its commitment to making public disclosures about its GHG emissions, rather than arbitrary target-setting as the [] Proposal requests.” Letter at 6. But mere disagreement with a proposal’s approach to an issue does not render the proposal excludable under the Rule. (Indeed, were that the case, no shareholder proposal disfavored by company management could survive challenge.)

The Company fails to identify any specifics demonstrating how the Proposal would infringe on or restrict management’s ability to conduct its core business operations. It merely vaguely contends that the Proposal would “divert[] [management] attention to arbitrary target-setting.” Letter at 6. Again, as a preliminary matter, this is an inapplicable strawman because the Proposal does not set any specific “arbitrary” target at all, but leaves the selection of specific targets up to the Company. But this generalized complaint also fails to explain how any particular day-to-day operations would necessarily change as a result of the Company setting greenhouse gas emissions targets. At most, the Letter makes a nonspecific reference to functions like “supplier relationships,” without explaining how the Proposal’s request for high-level goal setting would deprive management of “flexibility in directing” “core matters” related to these functions. *See* Letter at 5. The Company cites no Staff letter in support of this “ordinary business” objection. *See* Letter at 5-6 (at most, off-handedly referencing a *Chevron* micromanagement discussion; addressed *infra* at § I.C).

The Company has the burden of proof to show that the Proposal relates to “ordinary business matters” that are “so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” *See* 1998 Release; Rule 14a-8(g). The Company has fallen far short of this burden. It has offered no specifics showing how the Proposal would infringe on or restrict management’s ability to conduct its core business operations, instead relying on boilerplate generalities and an inapposite prior Staff response. All the Proposal requires of the Company is the setting of a high-level goal: the disclosure of greenhouse gas emission reduction targets. The Company has not, and cannot, meet its burden to show that the Proposal intrudes into “fundamental . . . day-to-day” activities justifying exclusion.

C. The Proposal’s request is not excludable on micromanagement grounds because it is not overly prescriptive.

Proposals are excludable on micromanagement grounds where they “prob[e] too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment,” such as “where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” 1998 Release. The focus is on “the manner in which a proposal seeks to address the subject matter raised, rather than the subject matter itself. . . . [T]wo proposals focusing on the same subject matter may warrant different outcomes based solely on the level of prescriptiveness with which the proposals approach that subject matter.” Staff Legal Bulletin No. 14K § B.4 (Oct. 16, 2019).

The instant Proposal is not overly prescriptive and leaves the Company substantial flexibility. The Proposal simply asks the Company to disclose measurable greenhouse gas emission reduction targets. It imposes no “intricate detail,” nor “specific time-frames,” nor “specific . . . methods” for identifying such targets. *See* 1998 Release. Instead, it leaves the type of greenhouse gas emissions covered (Scope 1, 2, 3), the amount of the reduction targets, and the timeline for reduction entirely to the Company’s discretion. Rather than demanding “arbitrary GHG emissions targets,” as the Company claims, Letter at 7, the Proposal identifies no particular reduction target at all—it leaves the determination of reduction targets entirely up to the Company, to be formulated by its reasoned discretion using any methodology or business considerations the Company chooses. Moreover, the Proposal follows on the Company’s repeated statements about its own environmental goals and claimed efforts to address its greenhouse gas emissions. *See supra* § I.A.

The Company argues that greenhouse gas emissions are a subject too complex for shareholder opinion, specifically pointing to the alleged difficulty of calculating Scope 3 emissions. Letter at 7. But as noted above (and as explained in the Proposal’s supporting statement), the Proposal does not require the Company to adopt Scope 3 emissions reduction targets—it leaves the type of greenhouse gas emissions to be targeted entirely to the Company’s discretion. Moreover, a simple high-level request that the Company disclose

reduction targets is not a subject that is too complex for shareholders to opine and vote on. In recent years, shareholders across the market have repeatedly propounded proposals asking companies to disclose greenhouse gas emissions reduction targets and analyses. And Staff have repeatedly declined to concur in the exclusion of such proposals under Rule 14a-(i)(7). *See, e.g., Columbia Sportswear Company* (April 15, 2025) (proposal requesting company adopt targets for measurably reducing greenhouse gas emissions and report annually on progress); *Ross Stores, Inc.* (March 29, 2019) (proposal requesting information on how company is aligning its long-term business strategy with the projected long-term constraints posed by climate change, and describing medium- and long-term goals for greenhouse gas reduction); *The TJX Companies, Inc.* (March 13, 2017) (proposal to prepare a report evaluating the potential to achieve net zero emissions by a fixed date); *FirstEnergy Corp.* (Mar. 4, 2015) (proposal requesting that company create specific, quantitative, time bound carbon dioxide reduction goals to decrease the company’s corporate carbon dioxide emissions, and report on its plans to meet the carbon reduction goals the company adopts).

The Company unsuccessfully tries to differentiate this case from *Columbia Sportswear Company*, claiming that the Company’s decision to preemptively, publicly criticize the setting of greenhouse gas emissions targets distinguishes its circumstances from that case.⁴ But whether a company has preemptively expressed disapproval with a particular policy, has post-hoc expressed disapproval through inclusion of an opposition statement in proxy materials, or has expressed no opinion on a policy, these company statements (or lack thereof) have no bearing on whether a company is legally required to include a shareholder proposal requesting the policy in its proxy materials. *See also Chubb Limited* (Mar. 25, 2024) (Staff unable to concur with exclusion under Rule 14a-8(i)(7), where company had argued among other things that its own prior “considerat[ion] and reject[ion] [of] the Proposal’s approach of disclosing Scope 3 emissions” was basis for exclusion). The micromanagement analysis does not turn on what policy the company prefers, but whether the proposal “prob[es] too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment . . . such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” 1998 Release. And here, as in *Columbia Sportswear Company*—where Staff were unable to concur in the exclusion of a proposal requesting “that Columbia adopt targets for measurably reducing its GHG emissions” “and report annually . . . on its progress toward those targets”—the instant Proposal merely requests the disclosure of high-level emissions reduction targets.

The Company’s cited Staff decision letters are distinguishable. Unlike the instant Proposal, these letters involved proposals that prescribed the adoption of specific targets or

⁴ As an initial matter, the Company’s distinction is debatable: Columbia Sportswear Company’s no-action request specifically reported that “management of the Company ha[d] considered the idea of targets,” had “invested the time of its personnel . . . to explore full value chain targets aligned with SBTi,” and “[g]iven those outputs . . . the Company ha[d] chosen not to implement value chain targets.” *Columbia Sportswear Company* (April 15, 2025) (company letter at 8).

methodologies of implementation of greenhouse gas goals,⁵ that requested intricate detail about business operations,⁶ or that impacted specified, granular day-to-day operational decisions.⁷ By contrast, the instant Proposal leaves the specific greenhouse gas targets, timeline, and methodology for achieving them entirely within management’s discretion. And the Company has identified no specific, granular operational matters that the Proposal would constrain. *Cf. Goodyear Tire & Rubber Company* (Mar. 3, 2025) (Staff unable to concur that proposal requesting that tire company’s board adopt policies that result in setting tire wear shedding reduction goals and timelines was excludable on micromanagement grounds).

The Company bears the burden of showing that the Proposal impermissibly micromanages under Rule 14a-8(i)(7), and it has failed to meet that burden. *See* Rule 14a-8(g). Rather than prescribe details that constrain the Company, the Proposal leaves the Company substantial discretion in providing the disclosure sought: discretion to determine the timeline, the amount of emissions reduction targeted, and the method for achieving that emissions reduction. The Company has identified no text to the contrary but merely relies on surmise and inapposite citations. These do not satisfy its burden to show that exclusion is warranted.

II. The Proposal May Not Be Excluded Under Rule 14a-8(i)(10).

The Company takes the contradictory positions that the Proposal is excludable both because it is contrary to the Company’s own policy decisions, Letter at 4, and because it has already been substantially implemented by the Company, Letter at 9-10. As explained above, the Company’s mere disagreement with the policy articulated in the Proposal is not grounds

⁵ *See Hartford Insurance Group* (Apr. 3, 2025) (proposal requesting disclosure of short and medium-term targets to reduce greenhouse gas emissions in alignment with Paris Agreement goals); *Tesla, Inc.* (Apr. 30, 2025) (proposal requesting disclosure of “comprehensive strategy to align the Company’s operations and business model with the goals of the Paris Climate Agreement”); *Evergy* (Mar. 21, 2025) (proposal requesting the company retain an independent third party to project and disclose greenhouse gas emissions associated with its 2024 Integrated Resource Plan, including comparing its emission projections with its reduction targets, and with those of its largest municipal and commercial customers).

⁶ *See Wyndham Hotels & Resorts, Inc.* (Mar. 26, 2025) (requesting disclosure of green certification process and requirements and total number of certified hotels); *Allstate Corp.* (Apr. 11, 2025) (requesting disclosure as to how company intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement’s 1.5°C goal).

⁷ *See Chevron Corp.* (Apr. 1, 2025) (proposal to remove emissions targets which singled out specific Company climate strategies, such as carbon intensity targets); *Domino’s Pizza, Inc.* (Mar. 11, 2025) (proposal requesting issuance of climate transition action plan detailing how company intends to “align its operations and full value chain emissions with Domino’s climate ambitions”); *Hartford Insurance Group* (Apr. 3, 2025) (proposal to remove all emissions reduction targets from company’s operations and energy products; company explained with specificity how proposal targeted its emission intensity reduction plans and threatened its regulatory compliance); *Tesla, Inc.* (May 6, 2025) (proposal about implementing sustainable tires on Tesla cars); *Mondelez International* (Mar. 25, 2025) (requesting adoption of No Deforestation, No Peatland, No Exploitation policy across all of company’s forest-risk commodities, impacting company’s selection and management of supplier relationships).

for exclusion. And as explained below, the Company has not already substantially implemented the Proposal's request.

A proposal may be excluded under Rule 14a-8(i)(10) if it has already been “substantially implemented” by the Company. In analyzing this Rule, the staff has stated that “a determination that [a company] has substantially implemented the proposal depends upon whether its particular policies, practices and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc.* (Mar. 28, 1991). While substantial implementation does not require that the company has taken the exact measures requested in the proposal, it does demand that the “essential objectives” of the Proposal have been satisfied. *See, e.g., Apple Inc.* (Dec. 20, 2021).

The Company has not already substantially implemented the Proposal—indeed, the Company states multiple times in its Letter that it actively disagrees with the Proposal's request and that the Proposal “contradict[s] [] its clearly stated policy decision on the matter.” Letter at 3. The Company claims that the following actions substantially implement the Proposal's request for the identification of greenhouse gas reductions targets: (i) engaging in ad-hoc efforts to reduce environmental impact of operations, such as renewable energy contracts for a small fraction of its restaurants⁸ and testing more efficient kitchen equipment, (ii) conducting a TCFD Risk Review, (iii) vaguely “supporting its protein supply chain partners in advancing the measurement and disclosure of GHG emissions,” such as participating in assorted roundtables or funding research to measure emissions, and (iv) disclosing emissions-related data. Letter at 9-10. But all of these fall far short of doing what the Proposal requests: identifying measurable greenhouse gas reduction targets. None of these cited actions, alone or in combination, “compare favorably” with the action requested in the Proposal nor “substantially implement” it.

The Proposal asks the Company to disclose measurable targets for reducing its greenhouse gas emissions. Implementing the Proposal, by setting greenhouse emissions reduction goals, will provide shareholders more meaningful transparency into the Company's greenhouse gas reduction aims and a framework against which to measure the Company's greenhouse gas emission progress. The guidelines and essential objective of the Proposal are to have the Company set greenhouse gas emissions reduction goals, by identifying measurable reduction targets. This is necessary to address Proponent's underlying concern about the Company's greenhouse gas impact, as well as the Company's unsystematic and difficult-to-assess progress against environmental goals.

The Proposal's essential objective has not been implemented at all, let alone substantially. The Company cites heavily to its emission data reporting, but mere reporting of existing emissions data does not fulfill the Proposal's objective. It does not identify an

⁸ Darden publicizes owning and operating over 2,000 restaurants, <https://www.darden.com/our-company>, while its Letter identifies renewable energy contracts at just 79 restaurants, Letter at 9.

overarching reduction goal. It does not provide insight into the Company’s expectations or plans for reducing emissions, nor inform shareholders as to whether the Company is on track against such reduction goals. Similarly, the Company’s ad-hoc environmental projects or participation in roundtables provide little information about how the Company is progressing against environmental goals. These lack information about scale, context, and actual impact: for instance, the Company’s report of an ad-hoc renewable energy project in 79 stores, Impact Report at 26, neglects to mention that these comprise less than 4% of its overall stores, *see supra* n. 8; and the impact of its participation in industry roundtables appears even less quantifiable. These disclosures do not “compare favorably” to the disclosure requested in the Proposal, nor substantially achieve its objective.

The disclosure sought by the Proposal differs meaningfully from the Company’s existing practices and will be more impactful. For instance, following its current practices, the Company’s self-reported Scope 1 and 2 greenhouse gas emissions have *risen* each year between 2021-2024⁹ but the Company still publicly extolls its claimed environmental progress¹⁰ and reported in its 2024 proxy that it has been implementing “successful strategies for evaluating and addressing our climate risks.”¹¹ Providing information about overarching, measurable greenhouse gas emissions targets will provide shareholders with a better means of assessing the Company’s emissions reduction goals and progress.

The Company cites no Staff letter concluding that mere disclosure of greenhouse gas emissions data or ad hoc sustainability projects “substantially implements” a shareholder request to identify greenhouse gas emissions reduction targets. The Company relies principally on *Alliant Energy Corp.* (Mar. 30, 2023), which involved substantially different facts. In *Alliant Energy Corp.*, the proposal asked for annual reporting of the company’s “progress toward, and ongoing feasibility of” its previously-announced net zero energy aspiration, and the company had already issued ESG, Climate, and Responsibility Reports that contained the requested information reporting on these topics. As a result, the Staff agreed that the company’s public disclosures had already substantially implemented the proposal. In other words, *Alliant* had already taken nearly the exact same actions requested in the shareholder proposal. The Company’s actions to date, and their comparison to the instant Proposal, are starkly different. The Company has not previously committed to identifying measurable greenhouse gas emissions reduction targets—and to the contrary, has publicly maligned that policy. It has not already set reduction target goals, nor anything approaching reduction target goals. The prior disclosures it points to (such as emissions data) differ in kind and scope from the action requested in the Proposal.

The Company bears the burden of showing that the Proposal has already been substantially implemented under Rule 14a-8(i)(10), and it has failed to meet that burden. *See*

⁹ Impact Report at 27.

¹⁰ Impact Report at 23-26.

¹¹ 2024 Proxy at 54.

Rule 14a-8(g). The previous actions cited by the Company are not similar to the Proposal, and do not achieve its “essential objective”: rather than identifying measurable greenhouse gas emissions targets, as requested in the Proposal, the Company has merely published its emissions data and undertaken ad hoc environmental projects at a handful of restaurant locations. Because the Company has not shown that the Proposal has been substantially implemented, it is not permitted to exclude the Proposal under Rule 14a-8(i)(10).

CONCLUSION

The Company has failed to carry its burden under Rule 14a-8(g) of establishing that the Proposal is excludable on the basis of Rule 14a-8(i)(7) or of Rule 14a-8(i)(10). Accordingly, we ask that the Company’s no-action request be declined.

Respectfully,

/s/ Melissa Alpert

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EXHIBIT 1

Resolved: Shareholders ask Darden to disclose measurable targets for reducing its greenhouse gas (GHG) emissions.

Supporting statement:

In 2023, Darden shareholders voted on a proposal requesting Paris Agreement-aligned reduction targets for Scopes 1 – 3 emissions. Then, in 2024, another proposal requested a report on “if and how” Darden will reduce Scopes 1 – 3 emissions in alignment with the Paris Agreement. Each garnered over 20% of the vote.

However, other shareholder proposals seeking reduction targets *passed* in 2024.

At Jack in the Box, one garnered over 56% of the vote, one at Wingstop also passed, and one at Denny’s achieved 49.9% of the vote¹ — all with support from BlackRock, Institutional Shareholder Services (ISS), and Glass Lewis alike.

One fundamental difference is that those proposals, unlike the previous Darden proposals, requested targets *without seeking to prescribe what they should be*—which is also true of this proposal.

For context, opposing the 2023 proposal, Darden said it’s “not willing to set goals if we don’t know how and when they can be achieved” and attempted to minimize its lack of measurable emission reduction goals by touting its “history of taking steps to reduce our impact on the environment across our operations and supply chain without setting quantitative targets.”

But taking steps without goals is like building a house without blueprints.

To see how that’s going, we examined Darden’s 2017 to 2024 emissions using the data in its latest Impact Report and archives of its “Taking Action on Climate Risks” webpage.

- Darden’s combined Scope 1 and 2 emissions reached an *all-time high* for that time period in 2024, with 818,117 metric tons CO₂e—nearly 14% higher than 2017.
- Its Scope 1 emissions (which Darden has the *most* control over) have risen nearly 40%.
- And, while Scope 1 and 2 per-restaurant “GHG intensity” dropped about 9% from 2017 to 2019, the decline rate has stalled significantly, dropping only 2.9% from 2022 to 2024, as total emissions rose.

This highlights the need for clear targets—and we believe the significant rise in emissions over eight years of measurements has provided *ample* time and reason to establish them.

Further, opposing Paris Agreement-aligned Scope 1, 2 and 3 targets shouldn’t preclude setting *any* targets.

Consider, for example, that although Darden’s statement opposing the 2023 proposal focused on a range of environmental (and other) initiatives, its *specific opposition to setting GHG targets* centered on the proposal’s request for supply chain (i.e., Scope 3) targets. By contrast, this proposal leaves to Darden’s discretion which scopes its targets should cover and what the targets should be.

In supporting the 2023 proposal, ISS said “setting greenhouse gas emission reduction targets would help [Darden] better align with its peers and address risks related to climate change.” As that’s still true, we encourage shareholders to vote “FOR” this proposal. Thank you.

¹ 52.4% if subtracting the number of shares controlled by officers/directors.