



DIVISION OF  
CORPORATION FINANCE

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

June 13, 2025

A. Noni Holmes-Kidd  
Darden Restaurants, Inc.

Re: Darden Restaurants, Inc. (the "Company")  
Incoming letter dated May 30, 2025

Dear A. Noni Holmes-Kidd:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Mercy Investment Services, Inc. (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its May 16, 2025 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter 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: Caroline Boden  
Mercy Investment Services, Inc.



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 Mercy Investment Services

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 "**Mercy Proposal**") submitted by Mercy Investment Services, Inc. ("**Mercy**" 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 Mercy 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 Mercy 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 Mercy Proposal, a copy of that correspondence should concurrently be furnished to the undersigned.

**The Mercy Proposal**

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

RESOLVED, shareholders ask that the board of directors institute a policy that the Company (“Darden”) comply with World Health Organization (“WHO”) Guidelines on Use of Medically Important Antimicrobials in Food-Producing Animals (“WHO Guidelines”) throughout Darden’s supply chains.

### **Basis for Exclusion**

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

- Rule 14a-8(i)(7) promulgated under the Exchange Act, because the Mercy 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 Mercy 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 Mercy Proposal pursuant to Rule 14a-8(i)(7) is proper because the Mercy Proposal seeks to interfere with the Company’s supply chain management and relationships with its suppliers, which falls squarely within the Company’s ordinary business operations and is therefore improper for shareholder oversight. By improperly stepping into the shoes of management, the Mercy Proposal would arbitrarily impose an international standard for the use of antibiotics across the Company’s supply chain, in place of the Company’s thoughtful and intentional determination to impose United States Food and Drug Administration (“*FDA*”) guidelines on responsible use of antibiotics in food-producing animals to its predominantly U.S. based suppliers. As further explained below, the Staff has consistently determined that decisions relating to supplier relationships and products constitute ordinary business operations. Shareholders lack the necessary insight and experience to make such decisions, whereas Darden’s management has extensive industry training and has implemented specific policies and programs to address antimicrobial risks posed by its operations. Darden has taken a thoughtful approach towards antibiotic usage based on the diversity of its supply chain, the guidance of animal welfare experts and its business judgment. The Mercy Proposal is an impermissible attempt to override a supply chain decision carefully evaluated and implemented by Company management in their professional discretion.

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

Exclusion of the Mercy Proposal pursuant to Rule 14a-8(i)(10) is proper because the Company has already satisfied the “essential objective” of the Mercy Proposal by adopting a responsible antibiotic usage policy aligned with FDA guidelines. 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 extensive steps to improve animal welfare within its supply chain, including in the area of antibiotic usage. The Company has established an Animal Welfare Policy (“**AWP**”) and Animal Welfare Council to address animal welfare within its supply chain based on industry expertise and scientific analysis. In the AWP, Darden explicitly states its support of the FDA’s guidance on responsible use of antibiotics in food-producing animals. Such guidelines align with the WHO guidelines by providing that (i) medically important antibiotics should no longer be given to farm animals for growth purposes, and (ii) that all shared-class antibiotics (meaning those used for both humans and animals) should be used only to treat, prevent, and control animal disease, under the supervision of a veterinarian. Additionally, in Darden’s Supplier Code of Business Conduct, Darden requires that suppliers must comply with laws and regulations, such as food safety laws, applicable to their business. Through the AWP and the Supplier Code of Business Conduct, Darden has already implemented guidelines and policies that materially align with the essential objective of the WHO guidelines, making exclusion of the Mercy Proposal appropriate under Rule 14a-8(i)(10).

## **II. *The Mercy 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 has noted that it considers whether the proposal “involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” *Id.*

While the Staff previously denied exclusion of proposals that touched on “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. SLB 14M 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 without affording them sufficient flexibility or discretion in addressing the complex matter presented by the proposal, 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 that, like the Mercy Proposal, seek to override management’s discretion and prescribe the manner in which certain ordinary business activities and policy decisions are conducted. For example, in *Mondelez International, Inc.* (Mar. 25, 2025) (“**Mondelez**”), the Staff determined that a proposal was properly excludable on micromanagement grounds because it requested that the company adopt a policy regarding its “forest-risk commodities” like cocoa, soy, palm oil, paper, beef, sugar, and dairy, “to ensure independently verified deforestation, conversion, and exploitation-free supply chains.” The Staff found that such proposals sought to supplant management’s discretion in setting policies and managing ordinary business operations to achieve certain policy goals. Like *Mondelez*, the Mercy Proposal seeks to prescribe specific policy standards that would impact management’s ability to make values-based decisions on its supplier relationships.

Additionally, in *Tyson Foods Inc.* (Nov. 25, 2009) (“**Tyson**”), the Staff concluded that a similar proposal to “phase out the routine use of antibiotics in animal feed” was properly excludable as micromanagement. In explaining its decision, the Staff stated that the proposal related to “ordinary business operations (i.e., the choice of production methods and decisions relating to supplier relationships). In this regard, we note that the proposal concerns the use of antibiotics in raising livestock...and will not recommend enforcement action.” Just like *Tyson*, the Mercy Proposal pertains to ordinary business operations by prescribing an antibiotic policy across Darden’s supply chain. As explained below, the Mercy 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 Mercy Proposal Pertains to Darden’s Ordinary Business Operations and Relationships with its Suppliers**

Adopting the Mercy Proposal would interfere with management’s discretion in overseeing the use of antibiotics in its supply chain, as well as interfere with management’s relationships with its food-animal suppliers. The Mercy Proposal specifically requests

adoption of “a policy that the Company comply with World Health Organization Guidelines on Use of Medically Important Antimicrobials in Food-Producing Animals.” The type of detailed decision-making implicated by the Mercy Proposal is entirely within the ordinary business of the Company, as antibiotic usage touches nearly all aspects of Darden’s business and food-animal supply chain. The Staff has made clear that, similar to any management-level or strategic plan, supply chain management is a “core matter involving the company’s business operations.” See *1998 Release*. In the 1998 Release, the Commission specifically cited “the retention of suppliers” as an example of a task that is so fundamental to management’s ability to run a company on a day-to-day basis that it could not practically be subject to direct shareholder oversight. See also *Foot Locker, Inc.* (Mar. 3, 2017) (excluding a proposal seeking a report on steps taken by the company to monitor overseas apparel suppliers’ use of subcontractors as relating “broadly to the manner in which the company monitors the conduct of its suppliers and their subcontractors”); and *Kraft Foods Inc.* (Feb. 23, 2012) (excluding a proposal that sought a report detailing the ways the company “is assessing water risk to its agricultural supply chain and action it intends to take to mitigate the impact on long-term shareholder value,” noting that the “proposal relates to decisions relating to supplier relationships”).

The Staff continues to support exclusion on ordinary business grounds of proposals that relate to or impact a company’s supplier or vendor relationships, as evidenced by the recent no-action relief granted in *Mondelez* and discussed above. In its no-action request, *Mondelez* argued that the proposal to implement policies impacting its suppliers micromanaged the company’s “fundamental day-to-day decisions and policies and procedures related to its suppliers.” Like the proposal in *Mondelez*, the Mercy Proposal places shareholders in the shoes of management and does not provide management sufficient flexibility or discretion to address and implement business decisions on a complex matter that is fundamental to the Company’s business, like its supplier relationships. Rather, the Mercy Proposal’s request arbitrarily requires compliance with WHO standards as opposed to the thoughtful Company- and product-specific models that Darden has adopted to evaluate and implement responsible antibiotic usage across its supply chain.

Darden operates 10 distinctive full-service brands, each with different menus, guest profiles and price tolerances. As a result, Darden has a very broad and diverse supply chain, especially as compared to quick-service restaurants. As a full-service dining company, Darden’s guests’ expectations for quality, safety and price cannot be compared reasonably to other restaurants. Further, Darden does not grow or raise any of the food it serves; rather, as of fiscal year 2024, it sources food products from over 1500 suppliers from over 35 countries. Because of the diversity of Darden’s supply chain, Darden must assess the impacts of any company-wide policy on an extensive variety of suppliers. Rather than give preference to guidelines that are not entirely applicable to the Company’s operations as the Mercy Proposal prescribes, Darden has taken a thoughtful approach to the reduction of antibiotic usage informed by an understanding of the best available science and industry-wide best practices. Adopting the Mercy Proposal would arbitrarily restrict Darden’s potential pool of food-animal suppliers and place undue burden on the processes Darden uses to monitor and develop requirements related to the conduct of its suppliers, including supplier product quality and sourcing of materials, all of which could have a substantially negative impact on

the Company's performance. As noted above, the Staff has explicitly stated that proposals regarding "the choice of production methods and decisions relating to supplier relationships," including "the use of antibiotics in raising livestock" are properly excludable under Rule 14a-8(i)(7). *See Tyson*. The Mercy Proposal impermissibly seeks to override management's careful consideration and adoption of animal welfare policies, thereby interfering with operations across the Company's vast supply chain.

Additionally, the Mercy Proposal's specific focus on WHO Guidelines rather than FDA guidelines and other nationally recognized policies ignores the fact that the Company's suppliers are mostly within the United States. In fact, for fiscal year 2025, approximately 92% of the Company's land-based protein was sourced from U.S. based suppliers where FDA regulations govern. By requiring its suppliers to comply with FDA regulations and best practices, Darden's management is able to ensure consistent compliance across its suppliers, rather than expending resources on addressing implementation issues that would arise if it were to adopt the WHO Guidelines broadly. Technical compliance across both FDA and WHO guidelines is unnecessary and burdensome, given that the substantive goal of both regimes (reducing overall antibiotic usage) is materially the same. Moreover, the WHO Guidelines merely "suggest" or "recommend" that certain actions be taken to reduce the use of medically important antibiotics; however, the Mercy Proposal seeks to mandate Darden's compliance with such guidelines when there is no legal or regulatory obligation to do so. This fact is even more tenuous when considering that Darden does not grow or produce its own food, but instead relies on suppliers to do so. Therefore, the Mercy Proposal would effectively require Darden to mandate that its suppliers comply with mere guidelines whether or not such guidelines are applicable or feasible to be adopted.

Implementing the Mercy 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 approach that would deprive management of its discretion. The Company has already carefully determined and implemented processes that it believes are sufficient to manage antimicrobial risks associated with food-animals in its supply chain while taking into account the importance of maintaining strong relationships with its vast suppliers of food products and the Company's stated commitment to continue to improve upon its processes. The Company has already implemented appropriate risk management strategies through its AWP and Animal Welfare Council (as further described in Section III below), and the implementation of such strategies reflects management's careful analysis of factors relevant to the Company's antibiotic reduction efforts and should not be displaced by the Mercy Proposal.

### **C. The Mercy Proposal Probes Too Deeply into Matters Upon Which Shareholders Could Not Make an Informed Judgment**

Given the critical role of food supply in the Company's business and operations, to achieve the Mercy Proposal's objectives, management would be required to subject its day-to-day considerations of the relationship between the Company's business and operations and antibiotic usage to shareholder oversight. This is impractical because resource deployment and management of the Company's highly complex operations are inherently

fact-specific and require expert oversight, especially considering the Company's relationships with its food-animal suppliers. Darden's management currently evaluates its operations and business activities across its 10 brands and restaurants and considers those activities in light of its AWP (as further described in Section III below). Additionally, Darden invests in training from the Professional Animal Auditor Certification Organization ("**PAACO**"), which serves as an authority on animal welfare auditing certification and trains and certifies auditors for the swine, dairy, poultry, beef cattle and feedlot industries. Several Darden supply chain leaders, sustainability professionals and members of the Animal Welfare Council have completed auditor training courses offered by PAACO. Leveraging their company-specific knowledge and the training received from PAACO and other industry organizations, these leaders and professionals, alongside Darden's management, Animal Welfare Council, and the risk management oversight of the Nominating and Corporate Governance Committee of the Board of Directors, consider how to most effectively manage antimicrobial risk from the Company's operations and balance various other risks inherent to the Company's operations and business lines. As such, shareholders lack the necessary industry insight and expertise to make an informed judgment on the matter if put to a vote.

The Mercy Proposal is an attempt to micromanage the Company in how it seeks to control the complex and granular task of overseeing the antibiotic usage policies of the Company. The Company is committed to continuing to partner with its food-animal suppliers to address the reduction of antibiotic usage in food-producing animals and has aligned its practices with FDA guidelines and/or applicable national regulations for antibiotics use, but the Mercy Proposal second guesses management's understanding and careful analysis of this issue without considering the complex relationships of Darden's supply chain. The Proposal inappropriately seeks to interfere with management's operational decision making and ability to operate the Company's day-to-day business and should therefore be excluded under Rule 14a-8(i)(7).

### **III. *The Mercy Proposal May Be Excluded Under Rule 14a-8(i)(10) Because the Company Has Already Substantially Implemented the Action Requested by the Mercy 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 this same proposal in *McDonald’s Corporation* (Apr. 3, 2024) and found that the company had already substantially implemented the proposal’s essential objective in its existing antibiotic usage policies. Specifically, McDonald’s demonstrated that its Global Vision for Antibiotic Stewardship in Animals (“VAS”) policy aligned with WHO Guidelines by recommending an overall reduction in use of all classes of medically important antimicrobials in food-producing animals and restricting the use of medically important antimicrobials for growth promotion. As further explained below, the Darden’s existing policies achieve the same goals as the McDonald’s VAS policy, which the Staff determined was sufficient for a finding that McDonald’s had substantially implemented this same proposal.

## **B. The Company’s Existing Policies Already Satisfactorily Address the Mercy Proposal’s Essential Objective**

### **a. The Company Already Minimizes Antibiotic Usage in its Supply Chains through its Animal Welfare Policy and Animal Welfare Council.**

Darden believes that it has a responsibility to ensure that animals are treated with respect and care in the process of providing nutritious food that is served in its restaurants. A key tenet of the Company’s approach to animal welfare is working with supply chain

partners who are committed to high standards for animal welfare. In fact, Darden’s Supplier Code of Business Conduct provides “that suppliers of food products or ingredients must ensure that their products or ingredients meet the highest quality standards” and requires that “[a]ll food products and ingredients supplied to Darden must be safe for human consumption, pure, wholesome, unadulterated and in compliance with all applicable food safety requirements and specifications under applicable laws.”<sup>1</sup> Darden expects its suppliers to align with the internationally recognized principles of best care throughout the life of farm animals and to also provide a valid and verified animal welfare certification. Responsible use of antibiotics to prevent transmission of or treat diseases in farm animals is necessary to ensure such care. Darden believes that antibiotics can be an effective tool in supporting health and reducing suffering for animals, and their use must be balanced with concerns for human health.

The Company has already substantially addressed the underlying concern and essential objective of the Mercy Proposal by implementing responsible antibiotic use policies that are aligned with public health guidelines. The Company’s commitment to reducing antibiotic use in food animals was cemented in 2019, when the Company initially outlined its position on antibiotic use in its supply chains through its AWP, which was updated in 2023. Under the AWP, the Company has adopted FDA guidance that medically important antibiotics should no longer be given to farm animals for growth purposes, and that all shared-class antibiotics (meaning those used for both humans and animals) should be used only to treat, prevent, and control animal disease, under the supervision of a veterinarian. The Company’s Supplier Code of Business Conduct also requires compliance with applicable food safety requirements and specifications under applicable laws. Darden considers these standards to be a minimum requirement, and many of its suppliers go beyond these fundamental standards.

The Company has even created an Animal Welfare Council, a cross-functional group of animal welfare experts including leading scientists and industry experts engaged by Darden, to lead the Company’s in-depth, data driven approach to improving animal welfare and environmental stewardship, including with respect to responsible antibiotic usage, across the Company’s supply chain.<sup>2</sup> The Animal Welfare Council provides guidance to Darden’s management on best scientific and industry-wide practices, including in the area of antibiotic usage. For example, at the Animal Welfare Council’s request, during the Company’s fiscal year 2023, the Company engaged with and surveyed its broiler chicken suppliers on medically important antibiotics, finding that all vertically integrated suppliers were compliant with FDA guidance on use of medically important antibiotics, and most were also in compliance with WHO guidance. Such results are strong evidence that Darden’s existing animal welfare policies already achieve the outcomes desired by the Mercy Proposal.

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<sup>1</sup> Darden’s Supplier Code of Business Conduct is available at <https://darden.com/our-impact/communities/sustainability/food-quality-safety>.

<sup>2</sup> Members of the Animal Welfare Council include professors of animal sciences, welfare and behavior at major universities, as well as consulting sustainability advisors. For more information, *see id.*

**b. The Company's Animal Welfare Policy and Animal Welfare Council Align with the Essential Objective of the WHO Guidelines.**

Darden has already taken into consideration the WHO guidelines and adopted antimicrobial policies that substantially align with the essential objective of the WHO Guidelines and the Mercy Proposal – the reduction in use of medically important antimicrobials in food-producing animals. As the Staff has repeatedly noted, a company's policies or practices can still “substantially implement” the essential objective of a proposal, even if they do not take the exact action requested by the proposal. Darden's current antimicrobial policies were adopted based on management's business-focused evaluation of Darden's complex supply chain and operations. With 10 distinctive full-service dining brands, Darden's supply chain is extensive and varied. As a result, it is necessary for the Company to review, evaluate and adopt policies, such as antibiotic usage, on a commodity-by-commodity basis, rather than adopt general guidelines that may not be applicable to the Company's operations or feasible to implement across the board.

The WHO guidelines recommend, in part, an “overall reduction in use of all classes of medically important antimicrobials in food-producing animals.” Similarly, Darden's AWP provides that the Company supports FDA guidance that “medically important antibiotics should no longer be given to farm animals for growth purposes, and that all shared-class antibiotics (i.e., those used for both humans and animals) should be used only to treat, prevent and control disease in farm animals under the supervision of a veterinarian.”<sup>3</sup> Darden expects its suppliers of land-based proteins to satisfy the requirements of the AWP and requires compliance with applicable national regulations related to animal welfare and food safety, which include antibiotics use. The results of the above-referenced survey of the Company's broiler chicken suppliers (which found that all of these suppliers complied with FDA guidance for use of medically important antibiotics and most were also in compliance with WHO guidelines) demonstrate the effectiveness of the AWP in reducing overall antibiotic usage in the Company's supply chain.

Darden continues to review and improve upon its animal welfare policies, and antibiotic stewardship is a key area of focus. Through its Supplier Code of Business Conduct, Darden requires its suppliers to comply with applicable laws and regulations, which include FDA regulations, and will continue to require compliance with its AWP in furtherance of this commitment.

As set forth above, the Company's existing policies substantially align with the essential objective of the Mercy Proposal, and the Company has disclosed its strategies to promote the responsible use of antibiotics in its supply chains. Accordingly, the Company believes it has already substantially implemented the Mercy Proposal and that it should therefore be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(10).

**Conclusion**

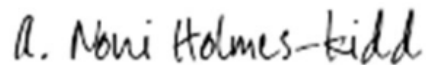
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<sup>3</sup> See page 2 of the Company's AWP.

Based on the foregoing analysis, we respectfully request that the Staff concur that it will take no action if Darden excludes the Mercy 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 handwritten signature in black ink that reads "A. Noni Holmes-Kidd". The signature is written in a cursive, slightly slanted style.

A. Noni Holmes-Kidd

Senior Vice President, Associate General Counsel

Enclosures

cc: Ms. Caroline Boden, Mercy Investment Services, Inc.

Ms. Mayme Donohue, Hunton Andrews Kurth LLP

**Exhibit A**

**The Mercy Proposal and Related Correspondence**





2039 North Geyer Road | St. Louis, Missouri 63131  
314.909.4609 | [mercyinvestmentservices.org](http://mercyinvestmentservices.org)

March 28, 2025

Matthew R. Broad  
Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary  
Darden Restaurants, Inc.  
1000 Darden Center Drive  
Orlando, FL 32837  
[REDACTED]

Dear Mr. Broad:

Mercy Investment Services, Inc. ("Mercy"), the investment program of the Sisters of Mercy of the Americas, has long been concerned not only with the financial returns of its investments, but also with their social and ethical implications. We believe that demonstrated corporate responsibility in matters of the environment, and social and governance concerns fosters long-term business success. Mercy Investment Services, Inc., a long-term investor, is currently the beneficial owner of shares of Darden Restaurants, Inc.

The enclosed proposal requests that the board of directors institute a policy that Darden comply with World Health Organization Guidelines on Use of Medically Important Antimicrobials in Food-Producing Animals throughout Darden's supply chains.

Mercy is the lead filer for the enclosed shareholder proposal for inclusion in the 2025 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. As of March 28, 2025, Mercy has been a shareholder continuously for more than three years, holding at least \$2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, is included in this packet. One of the filers will attend the Annual Meeting to present the proposal as required by SEC rules.

We look forward to having productive conversations with the company. Per SEC requirements, I am available to meet with the company via teleconference on April 21 from 11 am – 12 pm ET, or 2 – 3 pm ET; or April 22 from 2 – 3 pm ET. Co-filers will participate if available or authorize us to engage with Darden on their behalf, within the meaning of Rule 14a-8(b)(iii)(B). Please direct all future correspondence regarding this proposal to me via the information below.

Best regards,

Caroline Boden  
Director of Shareholder Advocacy  
[REDACTED]

[Darden Restaurants, Inc.: Rule 14a-8 Proposal, March 28, 2025]

[This line and any line above it – Not for publication]

ITEM 4\* – Comply with Expert Guidelines on Antimicrobial Use

**RESOLVED, shareholders ask that the board of directors institute a policy that the Company (“Darden”) comply with World Health Organization (“WHO”) Guidelines on Use of Medically Important Antimicrobials in Food-Producing Animals (“WHO Guidelines”)<sup>1</sup> throughout Darden’s supply chains.**

SUPPORTING STATEMENT: Darden is the largest restaurant operator in the U.S. full-service space; its policies thus have tremendous influence on the overall market. Regarding “medically important antibiotics,” Darden says “most” of its vertically integrated broiler chicken suppliers are “compliant with guidance from the WHO,” without specifying what proportion are non-compliant. Darden only requires compliance with FDA guidelines for its suppliers’ antimicrobial use in other terrestrial animals, and discloses no requirements for its seafood suppliers,<sup>2</sup> which account for 9 percent of its meat inputs.<sup>3</sup>

Antibiotics overuse is known to exacerbate antimicrobial resistance (“AMR”), which the WHO describes as “one of the top 10 global public health threats facing humanity.”<sup>4</sup> AMR poses a systemic threat to public health and the economy. When the efficacy and availability of life-saving drugs are compromised, the entire economy suffers. And when the economy suffers, investors lose. By 2050, AMR could cause \$100 trillion in lost global production,<sup>5</sup> thus lowering the economy’s intrinsic value.

Darden’s policies deviate from the WHO Guidelines, which recommend “an overall reduction in use of all classes of medically important antimicrobials in food-producing animals” and provide evidence-based recommendations and best practices. Darden’s policy of mere compliance with FDA requirements will not sufficiently curb injudicious use of antibiotics in food animals.<sup>6</sup>

As a Darden competitor explained, robust AMR protections raise “[t]he challenge of individual costs and widely distributed societal benefits.”<sup>7</sup> But for diversified investors, the portfolio-wide costs associated with AMR are paramount.

Darden’s decision not to prioritize broad AMR risks does not account for its diversified owners’ interests in optimizing public health, the economy, and their long-term portfolio returns. By engaging meat suppliers that use medically important drugs beyond WHO Guidelines, Darden adds to the economic threat AMR poses to its diversified shareholders: reducing the economy’s intrinsic value will directly

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<sup>1</sup> <https://apps.who.int/iris/bitstream/handle/10665/258970/9789241550130-eng.pdf>

<sup>2</sup> <https://www.darden.com/our-impact/communities/sustainability/caring-for-farm-animals>

<sup>3</sup> <https://www.darden.com/our-impact/communities/sustainability/food-principles>

<sup>4</sup> <https://www.who.int/news-room/fact-sheets/detail/antimicrobial-resistance>

<sup>5</sup> [https://amr-review.org/sites/default/files/160518\\_Final%20paper\\_with%20cover.pdf](https://amr-review.org/sites/default/files/160518_Final%20paper_with%20cover.pdf), p.1

<sup>6</sup> <https://www.pewtrusts.org/en/research-and-analysis/articles/2021/01/27/fda-proposal-will-not-sufficiently-curb-injudicious-use-of-antibiotics-in-food-animals>

<sup>7</sup> <https://www.yum.com/wps/wcm/connect/yumbrands/41a69d9d-5f66-4a68-bdee-e60d138bd741/Antimicrobial+Resistance+Report+2021+11-4+-+final.pdf?MOD=AJPERES&CVID=nPMkceo>, p.14

reduce diversified portfolios' long-term returns.<sup>8</sup> Darden's profit gain that comes at the expense of public health is a bad trade for Darden's diversified shareholders, who rely on broad economic growth to achieve their financial objectives.

By changing its policies and adhering to the WHO Guidelines, Darden could save lives, contribute to a more resilient economy, and protect its diversified investors' portfolios.

Please vote for: Comply with Expert Guidelines on Antimicrobial Use – Item 4\*

[This line and any below are not for publication]

Number 4\* to be assigned by the Company

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<sup>8</sup> [https://www.unepfi.org/fileadmin/documents/universal\\_ownership\\_full.pdf](https://www.unepfi.org/fileadmin/documents/universal_ownership_full.pdf)

The Northern Trust Company  
333 S Wabash Avenue  
Chicago, Illinois 60604



March 28, 2025

Matthew R. Broad  
Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary  
Darden Restaurants, Inc.  
1000 Darden Center Drive  
Orlando, FL 32837

Re: Shareholder proposal submitted by Mercy Investment Services, Inc.

Dear Mr. Broad:

I write concerning a shareholder proposal submitted to Darden Restaurants, Inc. (the “Company”) by Mercy Investment Services, Inc. As of March 28, 2025, Mercy Investment Services, Inc. beneficially owned, and had beneficially owned continuously for at least three years, shares of the Company’s common stock worth at least \$2,000 (the “Shares”). Northern Trust has acted as record holder of the Shares and is a DTC participant, whose DTC number is 2669.

If you require any additional information, please do not hesitate to contact me at [REDACTED]

Very truly yours,

A handwritten signature in cursive script that reads 'Jonathan Klocke'.

Jonathan Klocke  
Second Vice President | Client Service Manager | Public Entities and Institutions  
Northern Trust



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 30, 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: Withdrawal of No-Action Request Regarding Shareholder Proposal Submitted by Mercy Investment Services, Inc.**

Ladies and Gentlemen:

In a letter dated May 16, 2025, on behalf of Darden Restaurants, Inc., a Florida corporation (the "Company"), we requested that the staff of the Division of Corporate Finance of the Securities and Exchange Commission (the "Staff") concur that the Company could exclude from its 2025 proxy materials a shareholder proposal (the "Proposal") and statements in support thereof submitted by Mercy Investment Services, Inc. (the "Proponent").

Enclosed as Exhibit A is correspondence, dated May 29, 2025, from the Proponent to the Company withdrawing the Proposal. In reliance on this correspondence, the Company hereby withdraws the May 16, 2025 no-action request relating to the Company's ability to exclude the Proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934.

Please do not hesitate to contact me at (407)-245-5931, or by email at [NHolmesKidd@darden.com](mailto:NHolmesKidd@darden.com), if you have any questions or require any additional information regarding this matter.

Very truly yours,

A. Noni Holmes-Kidd

Senior Vice President, Associate General Counsel

Enclosures

cc: Ms. Caroline Boden, Mercy Investment Services, Inc.

Ms. Mayme Donohue, Hunton Andrews Kurth LLP



**Exhibit A**

**Copy of Withdrawal Notice from Proponent**



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



From: Caroline Boden [REDACTED]  
Sent: Thursday, May 29, 2025 2:48 PM  
To: Bryan Valladares [REDACTED]; Matt Broad [REDACTED]; Noni Holmes Kidd <NHolmesKidd@darden.com>  
Cc: Caroline Boden [REDACTED]; Sara E. Murphy [REDACTED]; shareholderproposals@sec.gov  
Subject: [EXTERNAL] Mercy Investment Services Proposal Withdrawal - Darden

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Dear Mr. Broad and team,

I hope this finds you all well.

After consideration, Mercy Investment Services is withdrawing the shareholder proposal requesting Darden to institute a policy to comply with WHO Guidelines on the use of medically important antimicrobials in food-producing animals in the company's supply chains. While we are withdrawing the proposal, we would appreciate the opportunity to engage with Darden on this important issue. Please let me know if you have any questions regarding the withdrawal, and if there are some dates in the coming weeks when we could connect for an update call.

Sincerely,  
Caroline

Caroline Boden  
Director of Shareholder Advocacy  
Mercy Investment Services, Inc.  
2039 North Geyer Road  
St. Louis, MO 63131  
Office [REDACTED]  
Fax [REDACTED]  
[www.mercyinvestments.org](http://www.mercyinvestments.org)

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May 29, 2025

Matthew R. Broad  
Senior Vice President, General Counsel, Chief Compliance Officer & Corporate Secretary  
Darden Restaurants, Inc.  
1000 Darden Center Drive  
Orlando, FL 32837

Re: Withdrawal of shareholder proposal

Dear Mr. Broad,

This letter is to inform you that Mercy Investment Services, Inc., is withdrawing the shareholder proposal sent to you on March 28, 2025 (the "Proposal") regarding the request to institute a policy to comply with World Health Organization Guidelines on the Use of Medically Important Antimicrobials in Food-Producing Animals throughout Darden's supply chains. This withdrawal is also effective for each Proposal co-filer; each Proposal co-filer has been copied on this letter. As a result of this letter agreement, the Proposal will not be included in Darden's proxy statement for the Darden 2025 annual meeting of shareholders.

While we are withdrawing the Proposal, we would appreciate engagement with Darden on this important issue and exploring opportunities for continued progress. Please do not hesitate to contact me at [REDACTED] or at [REDACTED] should you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Caroline Boden".

Caroline Boden  
Director of Shareholder Advocacy  
Mercy Investment Services