



2020 Annual Meeting Q&A Responses

Below are the responses from Darden President & CEO, Gene Lee, to questions that were submitted in advance of the Company's annual meeting, which was held virtually on September 23, 2020.

Q1. Why has the press in the Orlando-area not received details of your layoffs and early retirement packages given the number of employees at your RSC affected?

A. Information about these actions was included in our supplemental proxy materials filed with the Securities & Exchange Commission (SEC) on Aug. 31, 2020, which are publicly available.

Q2. Why in a time of pandemic when you could be cutting wasteful spending, are you not looking at some of your finer dining establishments like Longhorn and Capital Grille and doing a store by store assessment of where it makes fiscal sense to close for lunches, as well as Sunday and Monday night dinners? There are numerous locations losing money during these times, and you could easily breach the flow of losses by cutting back in these areas temporarily until full capacity dining is a reality again, which lets be frank, won't be for a year at the earliest. Diners will understand, especially in the situation we are in as a nation, but stockholders can't sit back and watch Darden throw good money after bad for no other reason than saving face, which makes no sense.

A. As we stated in our last earnings call, from the very beginning of this situation we've been focused on strong cost management. The work our teams have done to streamline our menus and improve our processes and procedures has helped reduce key variable expenses in our restaurants, especially direct labor. We also reduced or eliminated other fixed costs in our restaurants and in our Restaurant Support Center, and eliminated nonessential capital spending. Again, we will be providing a public update tomorrow morning that will address our first quarter performance.

Q3. I have not seen any DRI brand change strategy to address COVID. Why is not DRI aggressively innovative to draw guests back As example expand outdoor seating even by petitioning zoning laws to use parking lot space. New menu items for take out like salads and sandwiches. Thank you.

A. As I just mentioned, we will be speaking tomorrow morning during our first quarter earnings call. I will be addressing the substance of this question at that time.

Q4. Is there a consideration of outdoor dining for those states still not allowed indoors?

A. Our restaurants that have outdoor dining capability are successfully leveraging it to increase their capacity.

Q5. I know we need to be fiscally responsible, but it seems like a year like this would have been an ideal period to do some long overdue upgrades to some of our more popular locations, specifically Yard House Long Beach needs serious upgrades in their kegs room and patio. Maybe we can review the takeout program as this seems to be increasingly important during these times, so optimizing and expanding takeout teams would be huge. Also 90% of phone calls to the restaurant ask questions we could answer in a phone prompt, any chance on getting that in place?

A. I can't specifically address the situation in Long Beach, but when this pandemic began we had to preserve as much cash as possible in order to stabilize our capital structure. That involved deferring our capital spending, including new restaurant openings and remodels. The investments that we have been making in digital technology have enhanced convenience for our To Go guests and enabled our restaurant teams to execute at an even higher level as our off-premise sales have increased.

Q6. Why do we, as a company, keep suppressing our employees, giving no incentives to work adequately?

A. Our people are our greatest competitive advantage, and we have invested nearly \$100 million in our restaurant team members since this situation began. These investments include: permanent paid sick leave; a three-week emergency pay program that provided pay for our hourly team members who could not work; when emergency pay ended, we covered insurance payments and benefit deductions for hourly team members who were furloughed; and as we brought hourly team members back to work to support increased ToGo volume, we also introduced an additional payment to help cover unexpected costs, such as transportation and child care.

Q7. Why were raises taken away from hourly, but managers were guaranteed bonuses?

A. Bonuses are never guaranteed, and as I mentioned, Darden has invested nearly \$100 million in support for our hourly team members since the COVID-19 pandemic began.

Q8. During the lifting of Covid19 restrictions, do we anticipate a rise in business due to people wanting to get out of confinement? If no lifting of restrictions happens, do we have a plan in place to work around restrictions in a creative way with still abiding by mandates? My business opinion is to increase seating outside, even for winter, to increase business with restrictions.

A. Going out to a restaurant with friends and family is the number one thing consumers say they look forward to as the economy opens back up. And our restaurant teams are doing a great job of creating a safe, welcoming environment for our guests. They have also adapted to create great dining experiences for our guests — whether they dine in our dining rooms, outdoors on our patios or in their homes. Our restaurants that do have outdoor dining capability are successfully leveraging it to increase capacity.

Q9. What factors will determine when you reintroduce dividends for stockholders?

A. This question was not addressed at the Annual Meeting due to the pending announcement regarding the reinstatement of our dividend the next day. As announced in our first quarter earnings press release, our Board of Directors declared a dividend of \$0.30 per share payable on November 2, 2020 to shareholders of record at the close of business on October 9, 2020.