

Module: Introduction

Page: Introduction

0.1

Introduction

Please give a general description and introduction to your organization

Darden Restaurants, Inc, the world's largest full-service restaurant company owns and operates 1,800 restaurants that generate more than \$7 billion in annual sales. We are headquartered in Orlando, Florida, and employ approximately 180,000 people, Darden is recognized for a culture that rewards caring for and responding to people. Our restaurant brands - Red Lobster, Olive Garden, Long Horn Steakhouse, The Capital Grille, Bahama Breeze and Seasons 52 – reflect the rich diversity of those who dine with us. Our brands are built on deep insights into what our guests want.

0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first. We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Mon 01 Jun 2009 - Mon 31 May 2010

0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country

United States of America

Canada

0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

0.5

Please select if you wish to complete a shorter information request

0.6

Modules

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be

marked as default options to your information request. If you want to query your classification, please email respond@cdproject.net. If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdproject.net/en-US/Programmes/Pages/More-questions.aspx>.

Further Information

Module: Management [Investor]

Page: 1. Governance

1.1

Where is the highest level of direct responsibility for climate change within your company?

Individual/Sub-set of the Board or other committee appointed by the Board

1.1a

Please identify the position of the individual or name of the committee with this responsibility

Our Director of Sustainability and the Senior VP of Government and Community Affairs are responsible for the coordination and management of sustainability issues including climate change and report directly to the full Board of Directors.

The Director of Sustainability provides regular updates and receives input from senior management, generally on a quarterly basis. The reporting forums include the Sustainability Leadership Council (officer level leadership) and the Board of Directors.

We see energy, climate change and water resources as interlinked issues and the responsibility for these issues is woven throughout the expanse of our company and organizational layers. We have a team that addresses these issues composed of Brand Presidents, SVPs, VPs, senior directors and directors, which regularly identifies opportunities, lays out strategies and develops budgets to address these opportunities. The budgets and strategies are cascaded to operating companies for implementation. Implementation is primarily handled through facilities or operations groups supported by directors of operations in the field and supported by Green Teams in the individual restaurants. Energy, climate change and water are also important issues to our 180,000-plus employees, whose commitment and passion is the basis for our relationship with our guests, and ultimately our success. Our employees want to know that Darden cares and that we are taking meaningful action on environmental challenges. We've tapped this enthusiasm by forming Green Teams at all our restaurants, through which some 10,000 employees are helping us cut energy and water use.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.2a

Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
Energy managers	Monetary reward	Energy, water, and waste reduction tied to performance reviews
Facility managers	Monetary reward	Energy, water, and waste reduction tied to performance reviews
Environment/sustainability managers	Monetary reward	Energy, water, and waste reduction tied to performance reviews
Process operation managers	Monetary reward	Energy, water, and waste reduction tied to performance reviews
Executive officer	Monetary reward	Energy, water, and waste reduction tied to performance reviews
All employees	Recognition (non-monetary)	Proposing new ideas related to sustainability; communicating and implementing sustainability processes

Further Information**Page: 2. Strategy****2.1****Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities**

Integrated into multi-disciplinary company wide risk management processes

2.1a**Please provide further details (see guidance)**

Darden's risk and opportunity evaluation includes brand reputation, weather related risks, supply chain impacts, and potential consumer preference shifts. The Director of Sustainability works through the cross functional teams which include legal, government affairs, supply chain, operations, design, facilities, and tax to identify potential risks at a corporate and an asset level. Each year an Enterprise Risk Assessment (ERA) is conducted by Internal Audit and reviewed with the Audit Committee and full Board. Our threshold for evaluating materiality and the related criteria are considered a business confidential process at Darden. If a material risk is identified, however, it is reported to executive leadership and the Board of Directors, on an as needed basis just as any other potential corporate risk would be reported.

2.2**Is climate change integrated into your business strategy?**

Yes

2.2a**Please describe the process and outcomes (see guidance)**

Our business strategy is influenced by cross functional teams soliciting inputs from the various sources that those teams interact with (e.g., facilities depart interacting with individual facility managers and the design team working with the USGBC). We leverage these internal functions in a multi-faceted approach to perform outreach to external sources in order to solicit best practices, gain insight on implementation and specific strategies and learn about emerging issues and opportunities. We have considered the following aspects and influences of climate change with regards to our corporate strategy: regulatory and cost implications related to regulatory change and with a longer term view in mind, the physical and economic impacts on our supply chain. Specific to the short term strategy, Darden is focused on the cost implications associated with regulatory change. For example, reducing energy usage allows Darden the opportunity to be insulated from price increases. In the absence of federal legislation (e.g., cap and trade, carbon tax) there still are important regulatory dynamics such as states with renewable energy portfolio standards which can materially change the electricity costs within those states. Therefore, Darden has established a target to reduce its carbon emissions by 15% by 2015 to ensure aggressive and holistic protection against cost fluctuations. Over the long-term, climate change has the potential of creating more variability in operating costs and sourcing. Through price, availability, and potential shifts in demand for certain food products, significant dynamics may occur due to on-going regulatory as well as potential physical changes associated with climate change. While the specific risk and opportunity are not precisely known, Darden is analyzing supply chain and operations to understand the magnitude of risk and opportunity. We feel that incorporating these aspects of climate change into our business strategy leads to us operating more efficiently and therefore garners us strategic advantage through facilitation of margin expansion and protecting our license to operate in communities which is part of our growth strategy. Put simply, the business decisions that are influenced by climate change result in driving efficiency in our operations and sourcing. To that end, our sustainability goals have been set to address these influences: we have set goals to reduce our per-restaurant energy and water use by 15 percent by 2015 and have established a long term goal to send no waste to landfills.

2.3**Do you engage with policy makers to encourage further action on mitigation and/or adaptation?**

Yes

2.3a**Please explain (i) the engagement process and (ii) actions you are advocating**

As part of our overall outreach and relationship building we regularly contact and meet with members of Congress and USEPA to address sustainability and related issues. Conversely we respond to requests for input from the policy makers and government agencies (USEPA, NOAA). We have engaged lawmakers to support efficient and renewable energy sources that can provide sustainable, long-term solutions. We have urged policy makers to evaluate food to fuel mandates in order to fully assess their overall impacts and to partner with government in an effort to collaborate on the development of sustainable energy solutions. Additionally, during deliberations in the recent economic stimulus package, we discussed the inclusion of energy efficiency tax credits.

Further Information

Page: 3. Targets and Initiatives

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
	Scope 1+2	96.6%	15%	Other: kWh per restaurant	2008	1029121	2015	Darden set an energy based target because our footprint is ~95% comprised of facility energy emissions and because of the direct relationship of reporting kWh metrics in our performance reviews. This target is only against the scope 1 & 2 emissions attributed to restaurants.

3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments
	Increase	4%			Based on a rough projection of restaurant count in 2015, assuming a 15% decrease from 2008 in MWh intensity at all restaurants. Percent change in absolute Scope 1 & 2 for restaurants only (assumed that other Scope 1 & 2 will remain fairly constant).

3.1d

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
			% Complete (emissions) is calculated by taking the percent change in MWh/restaurant

37.5%

39%

intensity between FY2010 and FY2008. This percent change over 15% (goal) represents our progress in terms of % complete towards goal.

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

No

3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

3.3a

Please provide details in the table below

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Energy efficiency: building fabric	We have committed to build 11 LEED certified restaurants and to design prototypes for our 4 largest brands to LEED standards. We are not able to indicate the financial implications as we consider this information business confidential.			
Energy efficiency: building services	We have switched our back of the house to CFLs and we implemented an alternative to dipper well usage at 100s of restaurants.			
Behavioral change	We've implemented power up standards in our kitchen to reduce usage time and have trained staff to follow occupied and non occupied thermostat settings			

3.3b

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	The energy, water and waste team explores potential areas for investment of these funds and evaluates the projects based on confidential investment criteria.
Employee engagement	Reduction activities are supported through our Green Teams
Internal incentives/recognition programs,	Certain employees that are part of the energy, water and waste team, including some executive officers, have energy reduction targets as part of their performance review plan.

Further Information**Page: 4. Communication****4.1**

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in other places than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section Reference	Identify the attachment
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In voluntary communications (complete)	Pg. 65-71	Sustainability at Darden (complete GRI content) (May 2010)
In voluntary communications (underway) – previous year attached	Pg. 1	GHG Inventory Communications document for Investor Relations

Further Information

Attachments

[https://www.cdproject.net/Sites/2011/22/4322/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/Sustainability at Darden \(complete GRI content\) \(May 2010\).pdf](https://www.cdproject.net/Sites/2011/22/4322/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/4.Communication/Sustainability%20at%20Darden%20(complete%20GRI%20content)%20(May%202010).pdf)
[https://www.cdproject.net/Sites/2011/22/4322/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/Investor Relations Darden.pdf](https://www.cdproject.net/Sites/2011/22/4322/Investor%20CDP%202011/Shared%20Documents/Attachments/InvestorCDP2011/4.Communication/Investor%20Relations%20Darden.pdf)

Module: Risks and Opportunities [Investor]

Page: 5. Climate Change Risks

5.1

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in physical climate parameters
 Risks driven by changes in other climate-related developments

5.1c

Please describe your risks that are driven by change in physical climate parameters

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Induced changes in natural resources	Climate change poses physical risks to Darden's supply chain through weather events that can result in induced changes to natural resources. For example the increased frequency and severity of droughts around the world is one physical aspect of climate change that will have significant impacts on the agriculture and food supply chains Darden depends upon. Additionally, losses of crops or livestock from extreme weather phenomena, such as storms or droughts, represent a business continuity risk for Darden's supply chain. In fact, historically, drought has been one of the largest contributing factors for food cost increases. Each of these physical risks validates Darden's strategy of reducing its own carbon footprint to mitigate human impacts on climate change	Reduction/disruption in production capacity	>10 years	Indirect (Supply chain)	About as likely as not	Unknown

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this

risk; and (iii) the costs associated with these actions

Food inputs are a significant portion of our annual purchases (\$3B annual spend, ~1500 suppliers, 35 countries, 3300 SKUs), therefore small changes to the costs of these goods could have significant impact to our business. However we are unable to precisely predict the financial implications of these future changes and are continually monitoring the potential implications. The financial and business continuity risks of future climate impacts on fisheries and oceans are also not known with precision; however, research is currently being conducted by industry and academic scientists. To promote more scientific understanding of this topic, Darden is funding key research initiatives on climate change and its impact on marine ecosystems.

5.1e**Please describe your risks that are driven by changes in other climate-related developments**

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Reputation	One of the stakeholder groups most eager to see corporate sustainability performance are the employees themselves. We have strategically addressed the risk of losing good employees and not being able to recruit exceptional talent based on our understanding of the importance of climate change issues throughout our company. Darden has also recognized the public relations and "license to operate" risk for a company that does not have a comprehensive corporate sustainability and carbon management program	Increased operational cost	1-5 years	Direct	More likely than not	Medium

5.1f**Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions**

The financial implication of not being able to recruit and retain quality staff results in increased expenses associated with the training of new employees to replace those lost and additional inefficiencies from not employing top-notch recruits. Losing market share, decreased stock price, and loss of brand equity are all part of the financial implications of the reputational risk for Darden Restaurants. The rollout of sustainability initiatives as well as directly engaging employees for ideas and feedback has created a real benefit that directly mitigates this risk. The message that we can share with our customers about the environmental benefits of our program addresses this risk and directly impacts the value of the dining experience. Improved environmental and energy performance means Darden can pass along savings to our customers at a time when cost savings matters most. Darden has disclosed our sustainability platform through multiple venues, including sustainability presentations for campus recruiting, investor relations sustainability summaries, and becoming the first restaurant company to be part of The Sustainability Consortium which meets regularly and discloses actions and strategies via press releases and websites. From a cost perspective, we have integrated campus presentations and investor summaries into our ongoing operations. There was a membership fee paid to join The Sustainability Consortium. Additionally, all of these actions require inputs of time from our staff, creating some cost as well.

5.1g**Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure**

While we expect some impact from carbon regulations we do not consider these risks to be significant. Darden is not likely to have the carbon footprints of its facilities (largest location has just over 1000 tons CO₂e of scope 1 and 2 emissions, average location is 600 tons CO₂e) directly regulated by climate change policy, though we recognize that there are some potential indirect impacts from climate regulations. As an owner and operator of more than 1,800 restaurant locations, Darden relies on energy, transportation, agricultural products, and refrigerants, among other inputs, that are likely to be regulated. Therefore, as the cost of carbon emissions are internalized into various products and services, there are likely to be price changes to these key business inputs. To begin to understand its regulatory risk, Darden has performed an extensive regional (United States and Canada) evaluation of its carbon footprint, energy usage and costs. Specific to Darden US locations, there are currently no federal carbon regulations on electricity generation that would internalize the cost of carbon emissions into each unit of electricity produced. However, with federal legislation likely and implementation of corresponding regulations within the near future, electricity customers in regions within the U.S. that primarily rely on coal or other carbon-intensive fuels for electricity generation are likely

to see a cost increase. Preliminary analyses of future trends project electricity cost increases in these regions to be 10-40 percent, suggesting that the cost impact for Darden could have the same impact as fluctuating food input prices. To understand the broader regulatory risks to its supplied goods, Darden has begun to map out the layers of carbon emissions within its supply chain, with a focus on food products. While this analysis is ongoing, preliminary research suggests the carbon footprint of Darden's supply chain is likely to be significantly higher (possibly orders of magnitude greater) than Darden's Scope 1 and Scope 2 corporate carbon footprint. Though the direct impact of regulations is not considered a material risk at this time, we will continue to monitor the pending legislation and adjust our strategy accordingly. As a precaution, we are already making investments in energy efficiency to mitigate the impact of energy cost increases over time. Additionally, to better prepare for the impacts of carbon regulations, Darden is investigating lower carbon options for food sourcing, including waste practices, fuel usage, and transportation distances and modes.

Further Information

Page: 6. Climate Change Opportunities

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in other climate-related developments

6.1e

Please describe the opportunities that are driven by changes in other climate-related developments

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Reputation	Reputational opportunities and the related increased ability to attract and retain talent is a tangible benefit. One of the stakeholder groups most eager to see corporate sustainability performance are the employees themselves. The rollout of sustainability initiatives as well as directly engaging employees for ideas and feedback has already created real benefits that are likely to continue to yield employee pride that enhances performance and better guest experience. Moreover, Darden expects both employee recruitment and retention benefits from its climate change and sustainability initiatives. Darden has also recognized the public relations and "license to operate" benefits of a comprehensive corporate sustainability with a carbon management program. Darden can share with its customers not only the environmental benefits of our program, but also the impact it has on the value of the dining experience. Improved environmental and energy performance means Darden can pass along savings to our customers at a time when cost savings matters most.	Reduced operational costs	1-5 years	Direct	More likely than not	Medium

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

Clearly, there are significant financial benefits from the opportunities associated with Darden's carbon management and broader sustainability initiatives. Through Darden's energy management and other sustainability initiatives, the company will save operational costs through energy, water and waste savings. Early analysis of the operational initiatives have revealed a preliminary impact on energy, water, and waste costs that indicates the program is having a quick impact and future savings are likely to be considerably larger. Darden's sustainability and carbon management programs also impact the company's ability to attract and retain talented employees. Like any company, the value of the company is as good as the employees that represent it. Increasingly, recruiting top employees has required addressing sustainability performance in open and transparent ways. Because of our growing sustainability program, Darden stands to benefit from improved recruiting and retention of top employees. Through its broadening sustainability and carbon management initiatives, Darden is beginning to evaluate and engage its supply chain from a sustainability perspective. To the extent supply chain engagement, can yield efficiency findings, much like Darden's own energy management program, there could be cost implications that are potentially an order of magnitude more impactful on costs than even Darden's efficiency gains for its own operational efficiency improvements. To take advantage of other opportunities associated with carbon management and sustainable performance, Darden has already taken actions and plans to take additional actions to exploit opportunities. Increased efficiency of goods and services Darden has created an energy, water and waste teams to coordinate sustainability initiatives and objectives within Darden's operations. They are a cross-functional team that has designed strategy, communicate objectives and results, identify project budgets, and implement operational enhancements. Darden already has significant initiatives underway to reduce energy and water use in our restaurants and support operations. For example, we've upgraded to energy-efficient lighting in all our kitchens, there are reinforced thermostat settings, new restaurant remodeling and refreshment, as well as other energy and water management initiatives. As the climate change and sustainability issues continue to receive more attention, our company is well-positioned to illustrate successes and comprehensive plans for continued improvements. For both carbon and energy management, the work Darden has completed to date, and the projects in the pipeline for the coming years present distinct advantages to our business in differentiating our products, our business, and our restaurant concepts from others in the marketplace. Already, customer-facing organizations such as Climate Counts (www.climatecounts.org) have recognized Darden's progress, ranking Darden near the top of all food services companies it evaluates. Taking a multi-stakeholder approach by engaging with partners to complete these projects has had a positive impact on our reputation and we intend to harness the power of our brands and our partnerships to fully leverage this distinction in the marketplace. Our communities also benefit from our success. Each year, we contribute millions of dollars to charitable organizations that help individuals in need; we also fund projects that seek to improve the sustainability of global resources. As part of Darden's on-campus recruiting, the company now includes highlights of its commitment to sustainability and progress made to date. In 2010, Darden released its first sustainability report and website dedicated to communicating the company's sustainability performance. As a result, the company is able to more effectively distribute key corporate sustainability efforts to a broad array of stakeholder groups including, guests, employees, suppliers, government, and investors. As part of its growing sustainability and carbon management program. Darden employees have formed numerous "Greenteams". Greenteams are location-specific teams of Darden employees that find opportunities to reinforce corporate sustainability initiatives, and help communicate sustainability objectives to guests. Supply Chain. Darden has already begun to analyze its supply chain from a carbon perspective and is looking at options for both efficiencies and environmental improvements. Additionally, Darden now has a Supply Chain Sustainability Council, consisting of senior leadership of buyers for all key supply chain categories, providing additional leadership and focus on sustainability opportunities within the supply chain.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

From a direct regulatory perspective, looking at the next 10 years, and with operations predominantly in North America, Darden has low opportunity associated with changes in regulations. Darden's locations have small direct (scope 1 emissions) footprints and are not expected to be regulated. To the extent that Darden's energy efficiency and supply chain strategies successfully decarbonize aspects of business operations, it effectively insulates the company from the cost implications of carbon regulations. This early preparation for a carbon-constrained economy could prove to be a valuable business advantage for Darden, given how carbon emissions are uniquely layered within the food and agriculture supply chain when considering the roles of livestock, feed crops, and fertilizers. In addition to the unlikelihood of direct regulations on Darden's operations, key aspects of the supply chain are also not targeted by existing or drafted climate change regulations. For example, agriculture is regularly referenced as a source of carbon offsets, rather than carbon emissions caps. Therefore, even with 35 countries as sources within Darden's supply chain, direct regulations on its supply chain are not as likely as other industries' supply chains. However, even with regulatory uncertainty, and possibly small direct impacts, Darden remains committed to lowering energy use, finding transportation efficiencies, improving packaging, and finding lower-carbon agriculture and fishery practices will reduce cost and create higher quality products over the long-term. To this end, Darden is committed to continuing to find innovations both within its operations and supply chain for reducing carbon emissions. Moreover, evolving to a lower-carbon supply chain could prove to be a decisive cost-advantage to Darden's restaurants when carbon is internalized into the cost of goods and services.

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

Looking at the next 10 years, with over 1,800 locations in both the US and Canada, our broad operations footprint provides us with a potential advantage over other food service from potential physical risks attributable to climate change, concluding that the advantage is a "significant" does not seem appropriate. In any competitive industry, there are winners and losers. However, we believe our ability to "win" is directly connected to meeting quality expectation of our guests and providing the best value. Costs related to physical changes to the environment will likely have a similar impact across the industry and may occur gradually enough to allow for the marketplace to react. In spite of Darden's deeming that physical impacts associated with climate change are not "significant" advantages, the company can utilize existing business continuity functions and recent analyses to enhance our preparedness. For example, Darden already has hurricane teams track storms and prepare operations for potentially damaging impacts from these storms to minimize damage and downtime. Additionally, as part of Darden's new corporate headquarters building in Orlando, Fla., the corporate data center is designed to withstand even the most severe hurricanes and is able to generate its own power, should grid electricity not be available following a severe storm. To study supply chain impacts, Darden has begun to study the environmental impacts of its supply chain and evaluate the supply chain from a climate change perspective. To summarize, there is very little rationale or accurate calculations available for a food company to claim an opportunity associated with significant physical impacts from climate change. All companies in our business will have their operations, supply chains, and customers impacted. Clearly, avoided climate change is a strong business preference to adapting to it. While we believe our scale and geographic distribution is a potential unique advantage for physical changes, we do not believe it is appropriate to signal an advantage associated with physical changes from climate shifts.

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

Page: 7. Emissions Methodology

7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Fri 01 Jun 2007 - Sat 31 May 2008	343379	721538

7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

7.2a

If you have selected "Other", please provide details below

7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)
CH4	IPCC Second Assessment Report (SAR - 100 year)
N2O	IPCC Second Assessment Report (SAR - 100 year)
Other: HFC-125	IPCC Second Assessment Report (SAR - 100 year)
Other: HFC-134a	IPCC Second Assessment Report (SAR - 100 year)

7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Liquefied petroleum gas (LPG)	13.48	lb CO ₂ e per gallon	WRI Emission Factors Compilation from Cross-Sector Tools. Version 1.0. July 2009.
Natural gas	117.69	lb CO ₂ e per million BTU	WRI Emission Factors Compilation from Cross-Sector Tools. Version 1.0. July 2009.
Jet kerosene	21.32	lb CO ₂ e per gallon	WRI Emission Factors Compilation from Cross-Sector Tools. Version 1.0. July 2009.
Diesel/Gas oil	22.40	lb CO ₂ e per gallon	WRI Emission Factors Compilation from Cross-Sector Tools. Version 1.0. July 2009.
Motor gasoline	19.56	lb CO ₂ e per gallon	WRI Emission Factors Compilation from Cross-Sector Tools. Version 1.0. July 2009.

Further Information

Page: 8. Emissions Data - (1 Jun 2009 - 31 May 2010)

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO₂e

347655

8.3a

Please provide your gross global Scope 2 emissions figure in metric tonnes CO₂e

730595

8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

No

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

Scope	Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
			Of Scope 1 emissions, 7.9% were estimated. The following describes the specific breakdown of the estimations along with the portion of Scope 1 emissions for each source. 29.6% of LPG usage data was estimated based on cost, but this represented less than 1% of Scope 1 emissions. Natural gas represented the majority - over 90% - of Scope 1 emissions but only 2.7% of Natural gas data was estimated based on cost or usage at the same location or similar locations. 100% of refrigerant data were

Scope 1	More than 2% but less than or equal to 5%	Extrapolation Metering/ Measurement Constraints	estimated but the refrigerant emissions account for only 5% of Scope 1 emissions. The resulting uncertainty from these parameter uncertainties was found by attributing a margin of error to each estimation type, multiplying the margin of error by the percentage of emissions estimated, and aggregating the uncertainties based on their weighted influence over the scope emissions. Margin of error was either determined from GHG estimating guidance documents or based on professional judgment. We have not included uncertainty associated with publically available emissions factors as we believe that this uncertainty is inherent in many corporate GHG inventories and is not specific to our corporate GHG inventory initiative nor does it differentiate our resulting emissions.
Scope 2	Less than or equal to 2%	Assumptions Extrapolation Metering/ Measurement Constraints	Of Scope 2 emissions, only 1% were estimated. This electricity data was estimated based on cost data, on provided data from the same location to fill a gap in usage data, or from similar locations normalized on square footage of the location. The resulting uncertainty from these parameter uncertainties was found by attributing a margin of error to each estimation type, multiplying the margin of error by the percentage of emissions estimated, and aggregating the uncertainties based on their weighted influence over the scope emissions. Margin of error was either determined from GHG estimating guidance documents or based on professional judgment. We have not included uncertainty associated with publically available emissions factors (e.g., US EPA eGrid) as we believe that this uncertainty is inherent in many corporate GHG inventories and is not specific to our corporate GHG inventory initiative nor does it differentiate our resulting emissions.

8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

Not verified or assured

8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

Not verified or assured

8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

Yes

8.8a

Please provide the emissions in metric tonnes CO₂e

1

Further Information

Page: 9. Scope 1 Emissions Breakdown - (1 Jun 2009 - 31 May 2010)

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

9.1a

Please complete the table below

Country	Scope 1 metric tonnes CO ₂ e

Canada	7185
United States of America	340471

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

By GHG type

9.2a

Please break down your total gross global Scope 1 emissions by business division

Business Division	Scope 1 metric tonnes CO2e
Corporate/Operations	8410
LongHorn	38103
Olive Garden	170428
Red Lobster	116501
SRG	14213

9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 metric tonnes CO2e
CO2	328563
CH4	605
N2O	238
HFCs	18248

Further Information

Page: 10. Scope 2 Emissions Breakdown - (1 Jun 2009 - 31 May 2010)

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

10.1a

Please complete the table below

Country	Scope 2 metric tonnes CO2e
Canada	8496
United States of America	722099

10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 metric tonnes CO2e
Corporate/Operations	11637

LongHorn	95396
Olive Garden	317374
Red Lobster	272997
SRG	33192

Further Information

Page: 11. Emissions Scope 2 Contractual

11.1

Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Yes

11.2

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

No

Further Information

Page: 12. Energy

12.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh
Fuel	1795741
Electricity	1236870
Heat	
Steam	1103
Cooling	809

12.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Biogasoline	6
Jet kerosene	13821
Liquefied petroleum gas (LPG)	10011
Diesel/Gas oil	45
Motor gasoline	18281
Natural gas	1753577

Further Information

Page: 13. Emissions Performance

13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

No change

13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
	0	Decrease	Absolute emissions remained fairly constant despite restaurant growth.

13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO₂e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
151.5	metric tonnes CO ₂ e	unit total revenue	1.3	Increase	Emissions remained essentially constant between this year and last, however revenue decreased by approximately 1.4%.

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO₂e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
	metric tonnes CO ₂ e	FTE Employee			

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
579	metric tonnes CO ₂ e	Other: restaurant	3.4	Decrease	This is ratio of the restaurant-only emissions divided by the number of restaurants in operation for the fiscal year. Our total number of stores have increased since last year but our emissions have remained largely the same. We believe this decrease is due to an increased efficiency of our operations.

Further Information

14.1**Do you participate in any emission trading schemes?**

No, and we do not currently anticipate doing so in the next two years

14.2**Has your company originated any project-based carbon credits or purchased any within the reporting period?**

No

Further Information**Page: 15. Scope 3 Emissions****15.1****Please provide data on sources of Scope 3 emissions that are relevant to your organization**

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Business travel	6092	The calculation of Darden's business air travel emissions was made using EPA passenger mile emissions factors and flight data from Darden's corporate travel management system. Each flight leg was assigned the appropriate emission factor based on the distance of the flight. The flight distance was multiplied by the following provided emission factors to arrive at the Scope 3 business air travel emissions. Short-Haul (<300 miles)- 0.28 kg CO2e/ passenger-mile Medium-Haul (>=300 miles and <700 miles)- 0.232 kg CO2e/ passenger-mile Long-Haul (>700 miles)- 0.188 kg CO2e/ passenger-mile From EPA Climate Leaders Optional Emissions from Employee Commuting, Business Travel and Product Transport (June 2008).	

15.2**Please indicate the verification/assurance status that applies to your Scope 3 emissions**

Not verified or assured

15.3**How do your absolute Scope 3 emissions for the reporting year compare to the previous year?**

Increased

15.3a**Please complete the table**

Reason	Emissions value (percentage)	Direction of Change	Comment
Unidentified	8.6	Increase	

Further Information**Module: Sign Off**

[Page: Sign Off](#)

Please enter the name of the individual that has signed off (approved) the response and their job title

Ian Olson

Carbon Disclosure Project