

DARDEN'S ANIMAL WELFARE POLICY

INTRODUCTION

Darden is committed to consistently delivering outstanding food for our guests and to living our values—including Respect & Caring and Integrity & Fairness—through our sourcing and supply chain practices. We know that where our ingredients come from and how they are grown are integral to preparing great food for our guests. We also know that humane treatment of farm animals is an increasingly important topic, and we share that value.

We work with protein suppliers who share our values and our commitment to animal care, passing these commitments and expectations back through their supply chains to the farm level. We believe that improved animal welfare outcomes depend on strong partnerships between farmers and producers of animal products and the restaurant and food companies that purchase them.

This *Animal Welfare Policy* defines Darden's position and outlines our approach and commitments to animal welfare.

ANIMAL WELFARE POSITION

Darden requires the ethical and humane treatment of animals in our supply chain. Our position is grounded in engagement and dialogue about animal welfare issues with relevant industry groups, animal welfare experts, other restaurant companies, and our sourcing partners. These diverse stakeholders provide constructive input on our approach and inform our understanding of best practices.

Additionally, a key tenet of our approach to animal welfare is to work with supply chain partners who are committed to the improvement of animal welfare. We expect suppliers to share our commitment to the “**Five Freedoms**”¹ as an aspiration for care throughout the lifetime of the farm animal because we believe it is the right way to do business.

To formalize our engagement, Darden will work with an external Animal Welfare Advisory Council of animal welfare experts to continually ensure our program is based on best available science and industry-wide practices, including developments in outcomes measurement and reporting.

IMPROVING ANIMAL WELFARE OUTCOMES

Through our Animal Welfare Policy, we encourage higher welfare outcomes for farm animals in our supply chain—this includes improved outcomes in the animals' physical and mental well-being such as increased mobility, increased displays of natural behaviors, reduced injury and mortality rates, and reduced stress and fear.

Darden believes that the following areas represent the greatest opportunity for improving animal welfare outcomes in our supply chain, and we expect suppliers to implement production practices that support improvements in these areas:

¹ The “[Five Freedoms](#)” framework, developed by the UK Farm Animal Welfare Committee

- **Humane Housing:** Suppliers should provide animals with housing systems that provide sufficient space and enrichments that allow for natural behavior when appropriate and ensure healthy biological functioning of the animal.
- **Avoidance of pain:** Darden recognizes certain physical alterations may be required to support an animal's welfare over time. Darden expects suppliers to review any procedures that may cause pain to animals (e.g., dehorning, tail docking, beak trimming, euthanasia), apply them judiciously, and take appropriate measures to minimize and manage pain under an approved program.
- **Slaughter Practices:** Suppliers should continually review practices to ensure farm animals are slaughtered in the most humane and effective methods possible and review emerging technology to minimize stress and discomfort.
- **Farm Animal Transportation:** Animal transportation times should be within the limits of what is considered best practice for that animal type and breed, in compliance with applicable federal and state laws, and measures should be taken to reduce animal stress during transportation.
- **Responsible Use of Antibiotics:** 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. We support the 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.

We recognize that animal welfare experts are working to align on specific outcome measures that are scientifically meaningful and appropriate for various species. We will leverage our Animal Welfare Advisory Council to continuously monitor advancements in these areas.

ANIMAL WELFARE COMMITMENTS

Improved Animal Welfare Outcomes

Our goal is that Darden's suppliers will contribute to measurable, continuous improvements in animal welfare outcomes in the above priority areas by 2025. Darden will work with our suppliers, industry peers, and our Animal Welfare Advisory Council to define these metrics in 2020 in line with developments in welfare measurement methods. We will begin by pilot testing new measurement approaches with strategic suppliers in 2019. We also have more guidance on specific proteins:

Poultry: In partnership with our poultry suppliers, we will continue to seek improvements that result in healthy biological function, expression of natural behavior and humane processing.

In addition, Darden is committed to purchasing chicken raised without the use of medically important antibiotics by 2023 and will continue to work with suppliers on monitoring responsible antibiotic usage.

Pork: In 2016, Darden committed to work with pork suppliers to limit the use of gestation crates for housing pregnant sows, with a goal to source only gestation-crate free pork by 2025. At that time, we believed the pork industry was moving in that direction and we had a plan in place to work towards this goal. We intentionally chose suppliers, or grew our existing purchases from suppliers, who were also focused on moving towards open pen/group housing systems of pork production.

However, in the years since we made our initial commitment, the United States pork industry, including our suppliers, has not moved as quickly as we expected towards open pen/group housing systems. This is primarily due to three factors:

- Inconsistent industry standards and state regulations
- The capital expense required for pork producers to upgrade housing systems
- Limited supply of specific cuts — designated as raised in open pen/group housing — that meets Darden's strict quality standards and specifications

In addition, the COVID-19 pandemic has added to challenges facing the United States pork industry resulting in shortages of certain products during this disruption. We have had to find alternative suppliers for some products to ensure our guests can order the same high-quality, favorite menu items they expect when they visit any of our eight restaurant brands.

Given the significant changes in the external environment, and following substantive conversations with our supply chain partners, it has become apparent that it is not feasible to achieve our goal to source only gestation-crate free pork by 2025. We are evaluating a feasible timeline for achieving 100% open pen/group housing in our pork supply (which allows pregnant sows to at least live in groups for a majority of their pregnancy) and will provide an updated timeline by the end of FY2023. In the short term, it is our intention to disclose the percentage of pork sourced from suppliers that allow pregnant sows to live in groups for at least part of their pregnancy. Today, that amount is approximately 33%.

We will continue to collaborate with our suppliers toward our longer-term goal of eventually reaching a supply chain 100% free of gestation crates and will provide updates on an annual basis on our website at www.darden.com.

Eggs: 100% of all egg products purchased by Darden for use in our U.S. owned and operated restaurants are sourced from cage-free housing systems. Additionally, our international franchisees are working to source only cage-free eggs, as they are able, by the end of 2027.

Beef: As a founding member of the U.S. Roundtable for Sustainable Beef, Darden will continue to support the sustainability priority areas established across the beef value chain, including animal welfare indicators. We also support the industry-wide assurance programs such as BQA (Beef Quality Assurance).

IMPLEMENTATION

To ensure that our animal welfare policy is effectively implemented across our supply chain, we are committed to robust internal governance and oversight of animal welfare. We will also maintain our practice of integrating animal welfare requirements into our procurement and supplier management processes.

Oversight and Reporting

Darden's animal welfare approach and commitments are overseen by senior executives, and implementation is led by our Animal Welfare Working Group, a cross-functional committee including senior representatives from the sourcing, quality assurance, sustainability, legal and communications teams. In addition to addressing supplier non-compliance as needed, the Working Group meets regularly to review Darden's progress on our animal welfare commitments, review emerging animal welfare science with experts, and to address any challenges in implementation. The Working Group is also responsible for reviewing and updating this Animal Welfare Policy.

Senior executives report Darden's progress on animal welfare to the Board of Directors as part of the board's regular supply chain and sustainability updates.

Internal Knowledge & Awareness

Darden's supply chain professionals will continue to regularly participate in training sessions on animal welfare best practices and auditing standards, such as those provided by the Professional Animal Auditor Certification Organization (PAACO). Our commitment to this training ensures that our staff has a foundational understanding of animal welfare concepts and standards.

Supplier Agreements

In addition to communicating this animal welfare policy to suppliers, we also integrate animal welfare requirements into supplier agreements. All Darden suppliers of land-based proteins that slaughter animals are required to sign an agreement that commits, at a minimum, to aligning with the most recent version of the North American Meat Institute's Animal Handling Guidelines, or in the case of poultry, the National Chicken Council's animal welfare audit standards. Our supplier agreements outline that any breach of these guidelines can result in contract termination or suspension. We consider these standards to be a minimum requirement, and many of our suppliers go beyond these fundamental standards.

Supplier Monitoring and Engagement

We require our protein suppliers to provide a valid and verified animal welfare certification. We monitor and engage suppliers, who slaughter animals, on their compliance with the guidelines set forth in our supplier agreements. We require evidence of a current, valid third-party verification against those guidelines from all suppliers of land-based meats. Our quality team reviews these verifications on an annual basis.

In the event of an audit failure, Darden works with suppliers to ensure that all deficiencies have been corrected and that evidence is provided to demonstrate compliance. Darden's Animal Welfare Working Group reviews instances of audit failure and determines appropriate follow-up actions, which may include temporary suspension of business with a supplier, or if warranted, termination of a supplier's contract.

Led by our Animal Welfare Advisory Council, Darden will continue to review and consider opportunities to adjust our approach and standards. We will seek practical, scalable methods to monitor and track improved animal welfare outcomes at the farm level, in line with our goal to contribute to measurably improved outcomes over time. Our approach is to partner with suppliers and regularly engage them to understand how we can best enable opportunities to advance animal welfare.

We recognize that the care of farm animals is also interconnected with issues of environmental conservation and resource use, worker treatment and rights, and health and safety. This policy is limited to our approach and commitments to animal welfare, but our broader sustainable sourcing strategy is outlined in our [Food Principles](#), and is supported by our [Supplier Code of Conduct](#).