

Bloomin' Brands, Inc.  
Form DEF 14A  
March 08, 2018  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No. )**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

**BLOOMIN BRANDS, INC.**

**(Exact name of registrant as specified in its charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Bloomin' Brands, Inc.

2202 North West Shore Boulevard, Suite 500

Tampa, Florida 33607

March 8, 2018

Dear Bloomin' Brands Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Bloomin' Brands, Inc. on Tuesday, April 24, 2018, at 8:00 a.m. (EDT), at Corporate Center One, 2202 North West Shore Boulevard, 4th Floor, Tampa, Florida 33607. The purpose of the meeting is detailed in the Notice of Annual Meeting of Stockholders and the Proxy Statement.

To provide you with the information you need to make an informed vote, while also lowering the cost of delivery and reducing the negative environmental impact of printing and delivering proxy materials, most of our stockholders will once again receive our proxy materials over the internet. Your vote is important regardless of the number of shares you own, and we encourage you to vote on the internet whether or not you plan to attend the meeting. Alternatively, you may vote by telephone or, if you received the proxy materials in the mail, by completing, signing, dating, and returning the paper proxy card in the enclosed prepaid and addressed envelope.

If you plan to attend the meeting, please bring photo identification as well as your notice, admission ticket from your proxy card, or a current statement of ownership from a bank, broker or other third party confirming ownership.

Thank you for considering the matters presented in the proxy statement and please vote as soon as you are able.

We look forward to seeing you at the annual meeting.

*Chairman of the Board of Directors*

*and Chief Executive Officer*

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BLOOMIN BRANDS, INC.

2202 North West Shore Boulevard, Suite 500

Tampa, Florida 33607

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held April 24, 2018**

The Annual Meeting of Stockholders of Bloomin Brands, Inc. will be held at Corporate Center One, 2202 North West Shore Boulevard, 4th Floor, Tampa, Florida 33607 on Tuesday, April 24, 2018, at 8:00 a.m. (EDT) for the following purposes:

1. To elect three members to the Bloomin Brands, Inc. Board of Directors
2. To ratify the appointment of PricewaterhouseCoopers LLP as the Bloomin Brands, Inc. independent registered certified public accounting firm for the fiscal year ending December 30, 2018
3. To obtain non-binding advisory approval of the compensation of the Bloomin Brands, Inc. named executive officers

The foregoing items of business are more fully described in the accompanying proxy statement. The record date for determining those stockholders entitled to notice of, and to vote at, the annual meeting and at any adjournments or postponements thereof is February 28, 2018.

Whether or not you plan to attend the annual meeting, please vote as soon as possible. As an alternative to voting in person at the annual meeting, you may vote via the internet, by telephone or, if you receive a paper proxy card in the mail, by mailing a completed proxy card. For detailed information regarding voting instructions, please refer to the section entitled Voting via the Internet, by Telephone or by Mail on page 2 of the proxy statement. You may revoke a previously delivered proxy at any time prior to the annual meeting. If you are a registered holder and decide to attend the annual meeting and wish to change your proxy vote, you may do so automatically by voting in person at the annual meeting.

BY ORDER OF THE BOARD OF DIRECTORS

*Kelly Lefferts, Secretary*

Tampa, Florida

March 8, 2018

**Important notice regarding the availability of proxy materials for the Annual Meeting of Stockholders to be held on April 24, 2018:**

**This notice of annual meeting of stockholders, the accompanying proxy statement, and our 2017 annual report to stockholders are available at [www.edocumentview.com/BLMN](http://www.edocumentview.com/BLMN).**

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**BLOOMIN BRANDS, INC.**

2202 North West Shore Boulevard, Suite 500

Tampa, Florida 33607

**PROXY STATEMENT**

**FOR**

**ANNUAL MEETING OF STOCKHOLDERS**

These proxy materials are provided in connection with the solicitation of proxies by the Board of Directors (sometimes referred to herein as the Board) of Bloomin' Brands, Inc., a Delaware corporation (Bloomin' Brands, the Company, we, us, or our), for the Annual Meeting of Stockholders to be held at 8:00 a.m. (EDT) on Tuesday, April 24, 2018, at the principal executive offices of the Company at Corporate Center One, 2202 North West Shore Boulevard, 4th Floor, Tampa, Florida 33607, and at any adjournments or postponements of the annual meeting. These proxy materials are first being distributed or otherwise sent to stockholders on or about March 8, 2018.

**PURPOSE OF MEETING**

The specific proposals to be considered and acted upon at the annual meeting are:

1. To elect three members to the Company's Board of Directors
  2. To ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered certified public accounting firm for the fiscal year ending December 30, 2018
  3. To obtain non-binding advisory approval of the compensation of the Company's named executive officers
- Each proposal is described in more detail in this proxy statement.

**VOTING**

**Voting Rights**

Only stockholders of record of Bloomin' Brands common stock on February 28, 2018, the record date, will be entitled to vote at the annual meeting. Each holder of record will be entitled to one vote on each matter for each share of common stock held on the record date. On the record date, there were 92,932,752 shares of our common stock outstanding.

A majority of the outstanding shares of common stock must be present or represented by proxy at the annual meeting in order to have a quorum for the annual meeting. Abstentions and broker non-votes will be treated as shares present for the purpose of determining the presence of a quorum for the transaction of business at the annual meeting. A broker non-vote occurs when a bank, broker or other nominee holding shares for a beneficial owner submits a proxy

for the annual meeting without voting on a particular proposal, because the bank, broker or other nominee has not received instructions from the beneficial owner and does not have discretionary voting power with respect to that proposal. A bank, broker or other nominee may exercise its discretionary voting power with respect to the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm ( Independent Auditor ) for the fiscal year ending December 30, 2018 (Proposal 2), but does not have discretion to vote with respect to the election of directors (Proposal 1), or the non-binding advisory approval of the compensation of the Bloomin Brands named executive officers (Proposal 3).

The affirmative vote of the holders of a plurality of votes properly cast on the proposal at the annual meeting is required for the election of directors (Proposal 1). Stockholders may not cumulate votes in the election of directors. Proposals 2 and 3 require the approval of the holders of a majority of votes properly cast on the proposal. Abstentions and broker non-votes have no effect on the determination of whether a director nominee or any proposal has received a plurality or majority of the votes cast.

If the persons present or represented by proxy at the annual meeting constitute the holders of less than a majority of the outstanding shares of common stock as of the record date, the annual meeting may be adjourned to a subsequent date for the purpose of obtaining a quorum.

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### **Recommendations of the Board of Directors**

The Bloomin' Brands Board of Directors recommends that you vote:

**FOR** each of the nominees to the Board of Directors (Proposal 1)

**FOR** ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the fiscal year ending December 30, 2018 (Proposal 2)

**FOR** the non-binding advisory approval of the compensation of our named executive officers (Proposal 3)

### **Voting via the Internet, by Telephone or by Mail**

#### ***Registered Holders***

If you are a registered holder (meaning your shares are registered in your name with our transfer agent, Computershare Trust Company, N.A.), then you may vote either in person at the annual meeting or by proxy. If you decide to vote by proxy, you may vote via the internet, by telephone or by mail and your shares will be voted at the annual meeting in the manner you direct. For those registered holders who receive a paper proxy card, instructions for voting via the internet or by telephone are set forth on the proxy card or such holders can complete, sign, date and return the mailed proxy card in the prepaid and addressed envelope that was enclosed with the proxy materials. For those stockholders who receive a Notice of Internet Availability of Proxy Materials, the Notice of Internet Availability of Proxy Materials provides information on how to access your proxy card, which contains instructions on how to vote via the internet or by telephone or receive a paper proxy card to vote by mail. Telephone and internet voting facilities for registered stockholders of record will close at 11:59 p.m. (EDT) on April 23, 2018.

If you return a signed proxy card on which no directions are specified, your shares will be voted **FOR** each of the three proposals.

#### ***Beneficial Holders***

If, like most stockholders, you are a beneficial owner of shares held in street name (meaning a broker, trustee, bank, or other nominee holds shares on your behalf), you may vote in person at the annual meeting only if you obtain a legal proxy from the nominee that holds your shares and present it to the inspector of elections with your ballot at the annual meeting. Alternatively, you may provide voting instructions to the nominee that holds your shares by completing, signing and returning the voting instruction form that the nominee provides to you, or by using telephone or internet voting arrangements described on the voting instruction form, the Notice of Internet Availability of Proxy Materials or other materials that the nominee provides to you.

If you do not provide voting instructions to your nominee, the nominee will not vote your shares on the election of directors (Proposal 1) or the non-binding advisory approval of the compensation of our named executive officers (Proposal 3). However, your nominee will be able to exercise its discretionary voting power with respect to the ratification of the appointment of PricewaterhouseCoopers LLP as our Independent Auditor for the fiscal year ending December 30, 2018 (Proposal 2) and would be able to cause your shares to be counted as present at the annual meeting for purposes of determining a quorum.

## Electronic Delivery

Stockholders who have elected to receive our 2018 proxy statement and 2017 annual report to stockholders electronically will be receiving an email on or about March 8, 2018, with information on how to access stockholder information and instructions for voting.

If you received your Notice of Internet Availability of Proxy Materials or all of your annual meeting materials by mail, we encourage you to sign up to receive your stockholder communications electronically. Email delivery benefits the environment and reduces printing and mailing costs. With electronic delivery, you will be notified by email when the annual report on Form 10-K and proxy statement are available on the internet, and you can submit your stockholder votes online. Your electronic delivery enrollment will be effective until you cancel it. If you are a registered holder, visit [www-us.computershare.com/Investor](http://www-us.computershare.com/Investor) to create a login and to enroll. If you hold your Bloomin Brands stock through a bank, broker or other nominee, please refer to the information provided by that entity for instructions on how to elect to view future proxy statements and annual reports over the internet and how to change your elections.

## Changing or Revoking Your Proxy

You may revoke or change a previously delivered proxy at any time before the annual meeting by delivering another proxy with a later date, by voting again via the internet or by telephone, or by delivering written notice of revocation of your proxy to our Corporate Secretary at our principal executive offices before the beginning of the annual meeting. You may also revoke your proxy by attending

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the annual meeting and voting in person, although attendance at the annual meeting will not, in and of itself, revoke a valid proxy that was previously delivered. If you hold shares in street name, you must contact the nominee that holds the shares on your behalf to revoke any prior voting instructions. You also may revoke any prior voting instructions by voting in person at the annual meeting if you obtain a legal proxy as described above.

## **Admission to the Meeting**

You will need a valid government-issued picture identification and either an admission ticket or proof of ownership of our common stock as of February 28, 2018, to enter the annual meeting. If you are a registered owner, your Notice of Internet Availability of Proxy Materials will be your admission ticket. If you received the proxy statement and annual report by mail, you will find an admission ticket attached to the proxy card sent to you. If you plan to attend the annual meeting, please bring the ticket with you for admission to the annual meeting. If your shares are held in the name of a bank, broker or other nominee, you will need proof of ownership to be admitted to the annual meeting. A recent brokerage statement or letter from a bank or broker is an example of proof of ownership.

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**PROPOSAL NO. 1 ELECTION OF DIRECTORS**

**Nominees for Election at this Annual Meeting**

The Board of Directors currently consists of eight directors and is divided into three classes. Class I and Class III each contain three directors and Class II contains two directors. The directors in each class are elected for terms of three years so that the term of office of one class of directors expires at each annual meeting. At this annual meeting, stockholders will consider the election of three directors for terms ending in 2021.

The current terms of office of the Class III directors, David R. Fitzjohn, John J. Mahoney and R. Michael Mohan, will expire on the day of this annual meeting (as soon as they or their successors are elected) and have each been nominated for election by the Board of Directors upon recommendation by the Nominating and Corporate Governance Committee. Proxies may not be voted for a greater number of persons than the number of nominees named. The proxy holders intend to vote all proxies received by them for the nominees unless otherwise instructed. In the event any nominee is unable or declines to serve as a director at the time of the meeting, the proxies will be voted for a nominee, if any, who may be designated by the Board of Directors to fill the vacancy. As of the date of this proxy statement, the Board of Directors is not aware that any nominee is unable or will decline to serve as a director.

The following provides information regarding the business experience and qualifications of each of the Class III nominees:

**David R. Fitzjohn**, 61, has served as a director since February 2014. Since November 2012, Mr. Fitzjohn has been Chairman of the Board of Pizza Hut UK, Ltd., which owns and operates pizza restaurants in the United Kingdom. Mr. Fitzjohn has served as the Managing Director of Sahana Enterprises Ltd. and Sahana Estates Ltd., privately-held real estate development, investment and restaurant industry consulting businesses since 2006. Previously, Mr. Fitzjohn was the Managing Director of YUM! Brands Europe, a subsidiary of YUM! Brands, Inc. that operates quick service restaurants. In addition, Mr. Fitzjohn has held numerous executive management positions at Burger King Worldwide, Inc., which owns and operates fast food hamburger restaurants, as well as at retailers Grand Metropolitan and Laura Ashley. From April 2006 to April 2014, he served as a non-executive director of Rosinter Restaurant Holdings, a Russian public company that operates casual dining restaurants. The Board of Directors believes that Mr. Fitzjohn's qualifications to serve as a Board member include his many years of executive management experience, industry expertise, and experience with international markets.

**John J. Mahoney**, 66, has served as a director since May 2012. Mr. Mahoney retired as Vice Chairman of Staples, Inc., a large office products and supply company, in July 2012, a position he held since January 2006. Mr. Mahoney also served as Chief Financial Officer of Staples, Inc. from September 1996 to February 2012. Before joining Staples, Inc., Mr. Mahoney was a partner with the accounting firm of Ernst & Young LLP, where he worked for 20 years, including service in the firm's National Office Accounting and Auditing group. Mr. Mahoney also serves on the Board of Directors of Chico's FAS, Inc., a clothing retailer, where he is the Chairman of the Compensation & Benefits Committee and a member of the Audit Committee; The Michaels Companies, Inc., an arts and crafts retailer, where he is the Lead Independent Director, Chairman of the Audit Committee and a member of the Nominating and Corporate Governance Committee; and Burlington Stores, Inc., a consumer retailer, where he is the Lead Independent Director and Chairman of the Compensation Committee. The Board of Directors believes that Mr. Mahoney's qualifications to serve as a Board member include his experience as a financial executive and certified public accountant, with expertise in the retail industry, including accounting, controls, financial reporting, finance, risk management, and financial management.



**R. Michael Mohan**, 50, has served as a director since October 2017. Mr. Mohan is Senior Executive Vice President and Chief Merchandising and Marketing Officer for Best Buy Co. Inc., a position he has held since January 2014. Mr. Mohan also served as Senior Vice President and President of the Home Business Group for Best Buy from January 2013 to January 2014 and Senior Vice President of Merchandising for Best Buy from April 2008 to January 2013. The Board of Directors believes that Mr. Mohan's qualifications to serve as a Board member include his many years of retail and management experience, coupled with his digital marketing acumen.

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**Recommendation of the Board of Directors**

The Board of Directors recommends that stockholders vote **FOR** the election of Messrs. Fitzjohn, Mahoney and Mohan.

**Directors Continuing in Office**

The following are the directors who will continue in office after this annual meeting:

**Class I Directors Terms Expiring at the 2019 Annual Meeting**

**Wendy A. Beck**, 53, has served as a director since February 2018. Ms. Beck is the Executive Vice President and Chief Financial Officer of Norwegian Cruise Line Holdings Ltd. ( NCLH ), a leading global cruise company that operates the Norwegian Cruise Line, Oceania Cruises and Regent Seven Seas Cruises brands, a position she has held since September 2010 and will transition from on or before September 30, 2018. Prior to joining NCLH in 2010, Ms. Beck served as Executive Vice President and Chief Financial Officer of Domino's Pizza, Inc., one of the largest pizza delivery companies, from May 2008 to August 2010. From May 2004 to April 2008, she served as Senior Vice President, Chief Financial Officer and Treasurer of Whataburger Restaurants, LP, which operates made-to-order burger restaurants, and served as its Vice President and Chief Accounting Officer from August 2001 through April 2004. Ms. Beck was also employed at Checkers Drive-In Restaurants, Inc., a quick service restaurant company, from March 1993 through July 2001, serving as its Vice President, Chief Financial Officer and Treasurer from 2000 through July 2001. Ms. Beck also serves on the Board of Directors and chairs the Audit Committee of At Home Corporation, which operates home décor retail stores, since 2014. Ms. Beck previously served as a director and Audit Committee member of Spartan Stores Inc., which operates grocery stores and distribution centers, from 2010 to 2013. She also served on the Board of Directors of the Women's Food Service Forum, the Texas State Aquarium, the USS Lexington and the Corpus Christi Symphony Orchestra. Ms. Beck holds a B.S. in Accounting from the University of South Florida and is a Certified Public Accountant (inactive license). The Board of Directors believes that Ms. Beck's qualifications to serve as a Board member include her extensive experience in the restaurant industry, accounting, finance, strategic planning and leadership.

**Tara Walpert Levy**, 44, has served as a director since July 2013. Ms. Levy is the Vice President of Agency and Media Solutions for Google Inc., a leading developer and marketer of commercial and consumer technologies, a position she has held since October 2014. From June 2011 to September 2014, she was the Managing Director of Global Ad Market Development for Google Inc. From June 2007 to May 2011, Ms. Levy was President of Visible World Inc., a leading technology platform for addressable video advertising, now owned by Comcast, Inc. Ms. Levy was also an Associate Partner at McKinsey & Company, Inc., a management consulting firm, where she was a leader of the Global Media & Entertainment and Sales & Marketing groups. Ms. Levy is an executive member of the Board of Directors of the Ad Council. The Board of Directors believes that Ms. Levy's qualifications to serve as a Board member include her expertise in digital marketing, coupled with her marketing business perspective.

**Elizabeth A. Smith**, 54, has served as the Chairman of our Board of Directors since January 2012, and as our Chief Executive Officer and a director since November 2009. From September 2007 to October 2009, Ms. Smith was President of Avon Products, Inc., a manufacturer of beauty products, and was responsible for its worldwide product-to-market processes, infrastructure and systems, including Global Brand Marketing, Global Sales, Global Supply Chain and Global Information Technology. In January 2005, Ms. Smith joined Avon Products, Inc. as President, Global Brand, and was given the additional role of leading Avon North America in August 2005. From

November 2004 to December 2008, Ms. Smith served as a member of the Board of Directors of Carter's, Inc., a clothing retailer. From September 1990 to November 2004, she worked in various capacities at Kraft Foods Inc. Ms. Smith is a member of the Board of Directors of Hilton Worldwide Holdings, Inc., a hospitality company, where she also serves on the Audit and Nominating and Corporate Governance committees, and was previously a member of the Board of Directors of Staples, Inc., from September 2008 to June 2014. The Board of Directors believes that Ms. Smith's qualifications to serve as Chairman include her role as Chief Executive Officer, her extensive experience with global companies and retail sales, her expertise in corporate strategy development, and her knowledge of marketing, sales, supply chain, and information technology systems.

#### **Class II Directors    Terms Expiring at the 2020 Annual Meeting**

*James R. Craigie*, 64, has served as a director since November 2013. Mr. Craigie has been the non-executive Chairman of the Board of Directors of Church & Dwight Co., Inc., a leading developer, manufacturer, and marketer of household and personal care consumer products, since January 2016. He was the President and Chief Executive Officer of Church & Dwight Co., Inc. from July 2004 through May 2007 and executive Chairman and Chief Executive Officer from May 2007 through December 2015. From December 1998 through 2003, he was the President, Chief Executive Officer, and a member of the Board of Directors of Spalding Sports Worldwide and its successor, Top-Flite Golf Co. From 1983 to November

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1998, he held various senior management positions with Kraft Foods, Inc., including Executive Vice President and General Manager of its Beverages and Desserts Division, and Dinners and Enhancers Division. Prior to entering private industry, Mr. Craigie served six years as an officer with the U.S. Navy/Department of Energy. He has served as a member of the Board of Directors of Newell Brands Inc., a leading global consumer goods company, since February 2018. He was previously a member of the Board of Directors of the Meredith Corporation, a media and marketing company, from November 2006 to May 2014 and the Terravia Corporation (formerly called Solazyme, Inc.), a food, nutrition, and specialty ingredients company, from September 2013 to December 2017. The Board of Directors believes that Mr. Craigie's qualifications to serve as a Board member include his extensive experience leading a consumer brand company as well as his experience as a Chairman and Chief Executive Officer of a public company.

**Mindy Grossman**, 60, has served as a director since September 2012. Ms. Grossman has been President, Chief Executive Officer and a member of the Board of Directors of Weight Watchers International, Inc., since July 2017. From August 2008 to May 2017, she was the Chief Executive Officer of HSN, Inc. ( HSN ), a multi-channel retailer offering retail experiences through various platforms, including television, online, mobile, catalogs, and retail and outlet stores, and a member of HSN's board of directors. Prior to joining HSN, she served as Chief Executive Officer of IAC Retailing, a business segment of HSN's former parent company, IAC/InterActiveCorp, a media and internet company, from April 2006 to August 2008, and Global Vice President of Nike, Inc.'s apparel business from October 2000 to March 2006. The Board of Directors believes that Ms. Grossman's qualifications to serve as a Board member include her extensive experience leading, developing and launching consumer facing businesses and expertise in strategy, marketing, merchandising and business development, as well as her experience as the Chief Executive Officer of a public company.

## **Board Committees and Meetings**

During our fiscal year ended December 31, 2017, the Board of Directors held eight meetings. During fiscal 2017, each incumbent director attended at least 75% of the aggregate of (i) the total number of Board meetings (held during the period for which he or she has been a director) and (ii) the total number of meetings held by all Board committees on which he or she served (during the period that he or she served). Directors are strongly encouraged to attend the annual meeting of stockholders. All of our directors who were then on the Board of Directors attended our 2017 annual meeting of stockholders.

We have three standing committees: the Audit Committee; the Compensation Committee; and the Nominating and Corporate Governance Committee. Each of these committees has a written charter approved by the Board of Directors. A copy of each charter can be found by clicking on Corporate Governance in the Investors section of our website, [www.bloominbrands.com](http://www.bloominbrands.com).

Under the rules of the NASDAQ Stock Market ( NASDAQ ) our Board of Directors must consist of a majority of directors who meet NASDAQ's independence requirements ( Independent Directors ) and the Audit, Compensation, and Nominating and Corporate Governance Committees must be composed entirely of Independent Directors. See Independent Directors for additional information regarding these independence requirements and our satisfaction of these requirements.

The members of the committees, as of the date of this proxy statement, are identified in the following table:

## **DIRECTOR**

	AUDIT COMMITTEE	COMPENSATION COMMITTEE	NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
Wendy A. Beck		X	
James R. Craigie	X		Chair
David R. Fitzjohn		X	
Mindy Grossman		Chair	
Tara Walpert Levy	X		
John J. Mahoney	Chair		X
R. Michael Mohan		X	
<i>Audit Committee</i>			

The purposes of the Audit Committee are set forth in the Audit Committee charter and are primarily to assist the Board of Directors in overseeing:

the integrity and overall quality of our financial statements

the effectiveness of our internal control over financial reporting

our compliance with legal and regulatory requirements

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the Independent Auditor's qualifications and independence

the evaluation of enterprise risk issues

the performance of our internal audit function and Independent Auditor

The Audit Committee is also responsible for the appointment, compensation and oversight of the Independent Auditor, as well as the selection and replacement of the lead audit partner of the Independent Auditor.

The Audit Committee reviews and discusses with management and the Independent Auditor mandatory filings and financial information to be included in our audited financial statements, results and performance, including the quality of the accounting principles, the clarity of the disclosures in the financial statements, and the adequacy and effectiveness of internal controls. The Audit Committee also reviews earnings press releases.

The Audit Committee reviews significant reports to management prepared by the internal auditor and management's responses, and discusses with management and the Independent Auditor the internal auditor's responsibilities, activities, organizational structure, staffing, qualifications, and budget. The Audit Committee also meets regularly with our internal audit team to review and discuss the internal audit scope, plan and results of internal audit activities.

Mr. Mahoney was determined by our Board of Directors to be an audit committee financial expert within the meaning of Item 407 of Regulation S-K and is independent within the meaning of the NASDAQ listing rules for audit committee members. All of the members meet the requirements for audit committee members under applicable NASDAQ rules regarding the ability to read and understand financial statements.

The Audit Committee held seven meetings during fiscal 2017.

***Compensation Committee***

The purposes of the Compensation Committee are set forth in the Compensation Committee charter and are primarily to:

oversee our executive compensation policies and practices

discharge the responsibilities of our Board of Directors relating to executive compensation of our Chief Executive Officer ( CEO ) and our other executive officers

review and approve certain compensation and employee benefit plans, policies and programs; and exercise discretion in the administration of such programs

produce, approve and recommend to our Board of Directors for its approval reports on compensation matters required to be included in our annual proxy statement or annual report, in accordance with applicable rules and regulations

For additional description of the Compensation Committee's processes and procedures for consideration and determination of executive officer compensation, see Compensation Discussion and Analysis within Executive Compensation and Related Information. The Compensation Committee held seven meetings during fiscal 2017.

### *Nominating and Corporate Governance Committee*

The purposes of the Nominating and Corporate Governance Committee are set forth in the Nominating and Corporate Governance Committee charter and are primarily to:

identify and evaluate individuals qualified to become members of our Board of Directors and to recommend to our Board of Directors the director nominees for each annual meeting of stockholders or to recommend persons to otherwise fill vacancies on the Board of Directors

review and recommend to our Board of Directors committee structure, membership and operations

develop and recommend to our Board of Directors a set of corporate governance guidelines

oversee the evaluation of our Board of Directors and each committee of the Board

The Nominating and Corporate Governance Committee held four meetings during fiscal 2017.

### **Independent Directors**

Under our Corporate Governance Guidelines, an independent director is one who meets the qualification requirements for being independent under applicable laws and the corporate governance listing standards of NASDAQ. The Nominating and Corporate

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Governance Committee evaluates the relationships of each director and director nominee and makes a recommendation to the Board of Directors as to whether to make an affirmative determination that such director or director nominee is independent. Upon recommendation of the Nominating and Corporate Governance Committee, the Board of Directors has affirmatively determined that: (a) Messrs. Craigie, Fitzjohn, Mahoney and Mohan and Mses. Beck, Grossman and Levy are independent under the criteria established by NASDAQ for director independence; (b) Messrs. Craigie and Mahoney and Ms. Levy are independent under the criteria established by NASDAQ for audit committee membership; and (c) Messrs. Fitzjohn and Mohan and Mses. Beck and Grossman are independent under the criteria established by NASDAQ for compensation committee membership.

## **Arrangements or Understandings Regarding Service as a Director**

Ms. Beck was appointed by the Board of Directors to serve as a Class I director on February 28, 2018 pursuant to an agreement that we entered into on February 28, 2018 with JANA Partners LLC ( JANA Partners ). The agreement contains customary standstill provisions and voting commitments and our commitment to appoint Ms. Beck for a term ending at the 2019 annual meeting of stockholders. If during the standstill period Ms. Beck becomes unavailable to serve as a director, JANA Partners retains the right to identify a successor, who must be reasonably satisfactory to the Board of Directors. The agreement is more fully described in the company's Current Report on Form 8-K filed with the SEC on February 28, 2018.

None of our other directors or nominees have any agreements or arrangements with any other person or entity in connection with the director's or nominee's candidacy or service on our Board.

## **Nominees for the Board of Directors**

Our Corporate Governance Guidelines provide that nominees for director shall be selected on the basis of their business experience, qualifications, attributes and skills, such as relevant industry knowledge; specific experience with technology, accounting, finance, leadership, strategic planning, and international markets; independence; judgment; integrity; the ability to commit sufficient time and attention to the activities of the Board of Directors; diversity of occupational and personal backgrounds on the Board of Directors; the absence of potential conflicts with our interests; and such other criteria as may be established by the Board of Directors from time to time. These criteria are considered in the context of an assessment of the operation and goals of the Board as a whole. In addition, the Board considers, in light of our business, each director nominee's experience, qualifications, attributes and skills that are identified in the biographical information contained under Proposal 1 Election of Directors.

In recommending candidates for election to the Board of Directors, the Nominating and Corporate Governance Committee considers nominees recommended by directors, officers, employees and others, using the same criteria to evaluate all candidates. The Nominating and Corporate Governance Committee reviews each candidate's qualifications, including whether a candidate possesses any of the specific qualities and skills desirable in certain members of the Board of Directors. Evaluations of candidates generally involve a review of background materials, internal discussions and interviews with selected candidates as appropriate. Upon selection of a qualified candidate, the Nominating and Corporate Governance Committee recommends the candidate for consideration by the full Board of Directors. The Nominating and Corporate Governance Committee may engage consultants or third-party search firms to assist in identifying and evaluating potential nominees. In the case of Mr. Mohan, a professional search firm identified him as a potential candidate, and the process described above was followed, resulting in his nomination for election to our Board.

The Nominating and Corporate Governance Committee will also consider nominees for election to the Board of Directors submitted by stockholders using substantially the same criteria it applies to recommendations by directors,



officers, employees and others. To recommend a prospective nominee for the Nominating and Corporate Governance Committee's consideration, submit the candidate's name and qualifications to our Corporate Secretary in writing to the following address: Bloomin' Brands, Inc., Attention: Nominating and Corporate Governance Committee, 2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607.

### **Board Leadership Structure**

Under our Corporate Governance Guidelines, the Board of Directors has established a policy that provides it with the flexibility and discretion to select its Chairman at any time, based on what it believes to be in the best interest of the Company and its stockholders. The policy further provides that the same person may serve as both Chairman of the Board of Directors and CEO. Ms. Smith currently serves as both CEO and Chairman of the Board of Directors, and Mr. Craigie serves as our Lead Independent Director.

As Chairman of the Board of Directors, Ms. Smith's executive responsibilities provide insight that assists our Board of Directors in addressing both internal and external issues affecting the Company, and Mr. Craigie, as Lead Independent Director, is responsible for, among other things:

calling and presiding at meetings of the independent directors

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serving as the principal liaison between the Chairman and the independent directors

leading the independent director's evaluation of the CEO's effectiveness as Chairman and CEO

when appropriate, consulting and communicating with stockholders

assisting the Chairman with the review and preparation of agendas for Board meetings

In addition, various other corporate governance measures also contribute to a high degree of independent oversight of the Company's management, including holding regular executive sessions, all directors other than Ms. Smith and all of the Board committee members being independent under the NASDAQ standards, and the Board and each committee conducting annual self-assessments to ensure they are functioning effectively. The Board of Directors believes that this leadership structure is appropriate at this time and provides the most effective leadership in a highly competitive and rapidly changing industry. Combining the roles of Chairman of the Board of Directors and CEO fosters accountability, effective decision-making and alignment between interests of the Board of Directors and management, while the role of the Lead Independent Director fosters independent oversight of the Board. The Board of Directors periodically reviews this leadership structure to ensure that it continues to meet our needs in light of all relevant facts and circumstances at that time.

## **Board's Role in Risk Oversight**

It is management's responsibility to manage risk and bring material risks to the attention of the Board of Directors. The Board of Directors administers its risk oversight role by reviewing strategic, financial and execution risks and exposures associated with the annual plan and multi-year plans; major litigation and other matters that may present material risk to our operations, plans, prospects or reputation; acquisitions and divestitures; and senior management succession planning. This oversight role is performed both by the Board of Directors and through the committees, who provide regular reports to the Board of Directors. The Audit Committee reviews risks associated with financial and accounting matters, including financial reporting, accounting, disclosure, internal controls over financial reporting, ethics and compliance programs, compliance with law and protecting against and responding to breaches of our data security. The Compensation Committee reviews risks related to executive compensation and the design of compensation programs, plans and arrangements.

## **Code of Business Conduct and Ethics**

We have adopted a written Code of Business Conduct and Ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, and other persons performing similar functions. A copy of the Code of Business Conduct and Ethics can be found by clicking on "Corporate Governance" in the Investors section of our website, [www.bloominbrands.com](http://www.bloominbrands.com).

## **Stockholder Communications with the Board of Directors**

Stockholders may communicate with the Board of Directors through our Corporate Secretary by writing to the following address: Bloomin' Brands, Inc., Attention: Board of Directors, 2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607 (we encourage you to send a copy via email to [CorporateSecretary@bloominbrands.com](mailto:CorporateSecretary@bloominbrands.com)). Our Corporate Secretary will forward all appropriate correspondence to the Board of Directors.

## Director Compensation

The Compensation Committee recommended and our Board of Directors determined that directors who are not our employees receive the following compensation for their service on our Board of Directors:

Annual retainer of \$90,000

Additional annual retainer of \$20,000 for serving as chair and \$10,000 for serving as a member (other than the chair) of the Audit Committee

Additional annual retainer of \$15,000 for serving as chair and \$7,500 for serving as a member (other than the chair) of the Compensation Committee

Additional annual retainer of \$10,000 for serving as chair and \$5,000 for serving as a member (other than the chair) of the Nominating and Corporate Governance Committee

Additional annual retainer of \$25,000 for serving as the Lead Independent Director

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Annual grant of Bloomin' Brands restricted stock units having a fair market value, based on the closing price of the underlying common stock, of \$100,000 on the date of our annual meeting of stockholders, vesting as to one-third of the shares subject to the grant immediately prior to our annual meeting of stockholders each year thereafter

If a non-employee director is elected at any time other than at our annual meeting of stockholders, such director will receive an initial grant of restricted stock units having a fair market value, based on the closing price of the underlying common stock on the grant date, of \$100,000 on the date of the first Board of Directors meeting that such director attends, prorated for the number of months from the month of the director's election to the Board of Directors until the month of our next annual meeting of stockholders, vesting as to one-third of the shares subject to the grant immediately prior to our annual meeting of stockholders each year thereafter.

The Board of Directors adopted a Stock Ownership Guidelines Policy for directors, executive officers and members of our executive leadership team, which consists of the Company's executive vice presidents, senior vice presidents and concept presidents (the Executive Leadership Team). With respect to directors, Ms. Smith and all non-employee directors are required to accumulate shares of our common stock through direct purchases or retention of equity incentives (the Stock Ownership Requirement), equal to five times base salary for Ms. Smith, and five times the annual retainer for all non-employee directors. The Stock Ownership Requirement must be met no later than December 17, 2019 or the fifth anniversary of the director's initial election or appointment.

The following table summarizes the amounts earned and paid to non-employee directors during fiscal year 2017:

NAME	FEES EARNED OR STOCK		ALL OTHER	
	PAID IN CASH (1)	AWARDS (2)	COMPENSATION (3)	TOTAL
	(\$)	(\$)	(\$)	(\$)
Wendy A. Beck <sup>(4)</sup>				
James R. Craigie	135,000	100,003	3,824	238,827
David R. Fitzjohn	97,500	100,003		197,503
Mindy Grossman	105,000	100,003	5,975	210,978
Tara Walpert Levy	100,000	100,003	8,063	208,066
John J. Mahoney	115,000	100,003	26,850	241,853
R. Michael Mohan <sup>(5)</sup>	19,076	50,010		69,086
Chris T. Sullivan <sup>(6)</sup>	90,000	100,003		190,003

(1) Cash retainers are paid in quarterly installments.

(2) Represents restricted stock units (RSUs), which vest 33% per year over three years. The amounts represent the aggregate grant date fair values computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718. The grant date value based on the closing price of the underlying common stock is \$100,000. As of December 31, 2017, our non-employee directors held the following aggregate number of shares of restricted stock units: Mr. Craigie, 10,767 shares; Mr. Fitzjohn, 10,767 shares; Ms. Grossman, 10,767 shares; Ms. Levy, 10,767 shares; Mr. Mahoney, 10,767 shares; Mr. Mohan, 2,928 shares; and Mr. Sullivan, none (shares were forfeited upon his resignation).

(3)

The amounts shown in All Other Compensation are for reimbursements of tax, interest and fees payable by each director as a result of an administrative error by the Company in reporting previous years' income.

(4) Ms. Beck joined the Board of Directors on February 28, 2018.

(5) R. Michael Mohan joined our Board of Directors on October 20, 2017. Since he joined the Board during the fourth quarter, the amounts paid or awarded to him were pro-rated for the period that he served as a director.

(6) Mr. Sullivan resigned from the Board of Directors on December 6, 2017.

10 [Bloomin' Brands, Inc. 2018 Proxy Statement](#)

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**PROPOSAL NO. 2 RATIFICATION OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM**

**General**

We are asking our stockholders to ratify the Audit Committee's appointment of PricewaterhouseCoopers LLP as our Independent Auditor for the fiscal year ending December 30, 2018. The Company believes that the choice of PricewaterhouseCoopers LLP as the Independent Auditor is in the best interests of the Company and its stockholders. In the event the stockholders do not ratify the appointment, the Audit Committee will reconsider this appointment. Even if the appointment is ratified, the Audit Committee, in its discretion, may direct the appointment of a different Independent Auditor at any time during the year if the Audit Committee determines that such a change would be in our and our stockholders' best interests.

PricewaterhouseCoopers LLP has audited the Bloomin' Brands consolidated financial statements annually since we were formed and the financial statements of our predecessor since 1998. Representatives of PricewaterhouseCoopers LLP are expected to be present at the annual meeting and will have the opportunity to make a statement if they so desire. It is also expected that those representatives will be available to respond to appropriate questions.

The Audit Committee is directly responsible for the appointment, compensation and oversight of the Independent Auditor and annually reviews the firm's qualifications and work quality. In the course of these reviews, the Audit Committee considers, among other things:

the firm's historical and recent plans and performance on our audit

the firm's capability and expertise in handling the breadth and complexity of our operations

external data on audit quality and performance, including Public Company Accounting Oversight Board reports on the firm and its peer firms

the firm's independence and objectivity

the appropriateness of the firm's fees for audit and non-audit services, including any effect these fees may have on independence

the quality and candor of the firm's communications with the committee and management

the firm's tenure as our Independent Auditor, including the benefits of having a long-tenured auditor and controls and processes that help safeguard the firm's independence

**Principal Accountant Fees and Services**

The following is a summary of the fees billed to us by PricewaterhouseCoopers LLP for professional services rendered for the fiscal years ended December 31, 2017 and December 25, 2016:

<b>FEE CATEGORY</b>	<b>2017</b>	<b>2016</b>
Audit Fees	\$ 2,554,000	\$ 2,874,000
Audit-Related Fees	153,000	5,000
Tax Fees	35,000	55,000
All Other Fees	8,000	6,000
Total Fees	\$ 2,750,000	\$ 2,940,000

*Audit Fees.* The aggregate audit fees (inclusive of out-of-pocket expenses) billed by PricewaterhouseCoopers LLP were for professional services rendered for the audits of our consolidated and subsidiary financial statements and services that are normally provided by the independent registered certified public accountants in connection with statutory and regulatory filings or engagements for the fiscal years ended December 31, 2017 and December 25, 2016, including audited consolidated financial statements presented in our Annual Reports on Form 10-K and the review of the financial statements presented in our Quarterly Reports on Form 10-Q.

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***Audit-Related Fees.*** The aggregate audit-related fees (inclusive of out-of-pocket expenses) billed by PricewaterhouseCoopers LLP were for assurance and related services that are reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported under Audit Fees. These services comprised of reviews of certain franchise disclosure documents during the fiscal years ended December 31, 2017 and December 25, 2016, and review of company-preparedness for new accounting standards and tax reform during the fiscal year ended December 31, 2017.

***Tax Fees.*** The aggregate tax fees (inclusive of out-of-pocket expenses) billed by PricewaterhouseCoopers LLP were for professional services for tax compliance, tax advice and tax planning. These services include assistance regarding U.S. and foreign jurisdiction tax compliance and planning for the fiscal years ended December 31, 2017 and December 25, 2016.

***All Other Fees.*** The aggregate of all other fees billed by PricewaterhouseCoopers LLP were for products and services other than the services reported above. These services included annual subscription licenses for accounting research and disclosure review tools, which we license from PricewaterhouseCoopers LLP, and continuing professional education seminars hosted by PricewaterhouseCoopers LLP for the fiscal years ended December 31, 2017 and December 25, 2016.

## **Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditor**

The Audit Committee has established a policy requiring its pre-approval of all audit and permissible non-audit services (including the fees and terms thereof) provided by our Independent Auditor. The policy provides for the general pre-approval of specific types of services within specific cost limits for each such service on an annual basis. The policy requires specific pre-approval of all other permitted services. The Chairman of the Audit Committee has the authority to address any requests for pre-approval of services between Audit Committee meetings, and the Chairman must report any pre-approval decisions to the Audit Committee at its next scheduled meeting.

## **Recommendation of the Board of Directors**

The Board of Directors recommends that the stockholders vote **FOR** ratification of the appointment of PricewaterhouseCoopers LLP to serve as our independent registered certified public accounting firm for the fiscal year ending December 30, 2018.



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**PROPOSAL NO. 3 ADVISORY VOTE ON EXECUTIVE COMPENSATION**

**General**

We provide our stockholders with the opportunity to vote to approve, on a non-binding, advisory basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with section 14A of the Securities Exchange Act ( Exchange Act ). This vote is referred to as a say-on-pay vote.

The Compensation Discussion and Analysis beginning on page 16 and the compensation tables and narrative discussion beginning on page 29 of this proxy statement describe our executive compensation program and the compensation of our named executive officers for 2017. The Board of Directors is asking stockholders to cast an advisory vote indicating their approval of that compensation by voting **FOR** the following resolution:

RESOLVED, that the stockholders of Bloomin' Brands APPROVE, on an advisory basis, the compensation paid to its named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, compensation tables and narrative discussion.

As described in detail in the Compensation Discussion and Analysis, we have a total compensation approach focused on performance-based incentive compensation that seeks to drive a pay for performance culture and:

attract and retain qualified executives in today's highly competitive market

motivate and reward executives whose knowledge, skills and performance are critical to the success of the business

provide a competitive compensation package that aligns management and stockholder interests by tying a significant portion of an executive's cash compensation and long-term compensation to the achievement of annual performance goals

ensure internal equity among the executive officers by recognizing the contributions each executive makes to the success of Bloomin' Brands

The Compensation Committee regularly reviews our executive compensation program to establish a strong connection between compensation and the aspects of our performance that our executive officers can impact and that are likely to have an effect on stockholder value. We believe that in 2017, our continued enhancements to the guest experience, optimization of our domestic go-to market strategy through targeted refranchising and restaurant relocations, investment in emerging Off Premises opportunity, and refinancing of our credit facility demonstrate the effective relationship between corporate goals and our compensation program.

The vote on this say-on-pay proposal is advisory, which means that the vote will not be binding on Bloomin' Brands, the Board of Directors or the Compensation Committee. The Compensation Committee will review and consider the results of the vote on this proposal in connection with its regular evaluations of our executive compensation program. As the Board of Directors has currently determined to hold this vote each year, the next say-on-pay vote will be held at the 2019 annual meeting of stockholders.

**Recommendation of the Board of Directors**

The Board of Directors recommends that the stockholders vote **FOR** the advisory approval of the compensation of our named executive officers.

**Table of Contents****OWNERSHIP OF SECURITIES**

The following table describes the beneficial ownership of Bloomin' Brands, Inc. common stock as of February 28, 2018 (except as noted) by each person known to us to beneficially own more than 5% of our common stock, each director, and each named executive officer listed in the Summary Compensation Table, and all current directors and executive officers as a group. The number of shares of common stock outstanding used in calculating the percentage for each listed person includes the shares of common stock underlying options and restricted stock units beneficially owned by that person that are exercisable or will be settled within 60 days following February 28, 2018. The beneficial ownership percentages reflected in the table below are based on 92,932,752 shares of our common stock outstanding as of February 28, 2018.

Except as described below under Certain Relationships and Related Party Transactions, or as otherwise indicated in a footnote, all of the beneficial owners listed have, to our knowledge, sole voting, dispositive and investment power with respect to the shares of common stock listed as being owned by them. Unless otherwise indicated in a footnote, the address for each individual listed below is c/o Bloomin' Brands, Inc., 2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607.

NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP	PERCENT OF CLASS (COMMON STOCK)
<b>Five Percent Shareholders:</b>		
The Vanguard Group <sup>(1)</sup>		
100 Vanguard Blvd.		
Malvern, PA 19355	11,174,868	12.02%
Jana Partners LLC <sup>(2)</sup>		
919 Third Avenue		
New York, NY 10022	7,929,638	8.53%
BlackRock Inc. <sup>(3)</sup>		
55 East 52nd Street		
New York, NY 10055	6,851,353	7.37%
AllianceBernstein L.P. <sup>(4)</sup>		
1345 Avenue of the Americas		
New York, NY 01015	6,174,053	6.64%
RDB Equities <sup>(5)</sup>	6,113,000	6.58%
4343 Anchor Plaza Pkwy Suite 1		

Tampa, FL 33634

Earnest Partners, LLC<sup>(6)</sup>

1180 Peachtree Street NE

Suite 2300

Atlanta, GA 30309

5,268,819

5.67%

**Directors and Named Executive Officers:**

Wendy Beck <sup>(7)</sup>		*
Christopher W. Brandt <sup>(8)</sup>	26,121	*
James R. Craigie <sup>(7)</sup>	21,143	*
David J. Deno <sup>(9)</sup>	640,166	*
David R. Fitzjohn <sup>(7)</sup>	12,780	*
Mindy Grossman <sup>(7)</sup>	29,790	*
Tara Walpert Levy <sup>(7)</sup>	18,292	*
John J. Mahoney <sup>(7)</sup>	26,372	*
R. Michael Mohan <sup>(7)</sup>	976	*
Patrick Murtha <sup>(10)</sup>	210,580	*
Sukhdev Singh <sup>(11)</sup>	294,635	*
Elizabeth A. Smith <sup>(12)</sup>	3,797,349	3.93%
Chris T. Sullivan <sup>(7)(13)</sup>	1,209,187	1.30%
All current directors and executive officers as a group <sup>(12)</sup>	7,352,795	7.47%

\* Indicates less than one percent of common stock.

(1) According to a Schedule 13G filed with the Securities and Exchange Commission ( SEC ) on February 7, 2018, reporting beneficial ownership of 11,174,868 shares, as of December 31, 2017, The Vanguard Group has sole voting power with respect to 180,951 shares,

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shared voting power with respect to 12,900 shares, sole dispositive power with respect to 10,988,817 shares, and shared dispositive power with respect to 186,051 shares.

- (2) According to a Schedule 13G filed with the SEC on February 28, 2018, reporting beneficial ownership of 7,929,638 shares, as of December 31, 2017, Jana Partners, LLC has sole voting power with respect to 7,929,638 shares and sole dispositive power with respect to 7,929,638 shares.
- (3) According to a Schedule 13G filed with the SEC on January 29, 2018, reporting beneficial ownership of 6,851,353 shares, as of December 31, 2017, BlackRock, Inc. has sole voting power with respect to 6,645,175 shares and sole dispositive power with respect to 6,851,353 shares.
- (4) According to a Schedule 13G filed with the SEC on February 14, 2018, reporting beneficial ownership of 6,174,053 shares, as of December 31, 2017, Alliance Bernstein, LP has sole voting power with respect to 5,279,220 shares and sole dispositive power with respect to 6,174,053 shares.
- (5) According to a Schedule 13G filed with the SEC on March 31, 2017, reporting beneficial ownership of 6,113,000 shares, as of December 31, 2017, RDB Equities has sole voting power with respect to 6,113,000 shares and sole dispositive power with respect to 6,113,000 shares.
- (6) According to a Schedule 13G filed with the SEC on February 14, 2018, reporting beneficial ownership of 5,268,819 shares, as of December 31, 2017, Earnest Partners, LLC has sole voting power with respect to 1,377,532 shares, shared voting power with respect to 371,936 shares and sole dispositive power with respect to 5,268,819 shares.
- (7) Includes the following number of restricted stock units that will vest within 60 days of February 28, 2018: Ms. Beck, 0 shares; Mr. Craigie, 5,235 shares; Mr. Fitzjohn, 5,235 shares, Ms. Grossman, 5,235 shares; Ms. Levy, 5,235 shares; Mr. Mahoney, 5,235 shares; Mr. Mohan, 976 shares; and Mr. Sullivan, 0 shares. Does not include the following number of restricted stock units that will not vest within 60 days of February 28, 2018: Ms. Beck, 0; Mr. Craigie, 5,532 shares; Mr. Fitzjohn, 5,532 shares; Ms. Grossman, 5,532 shares; Ms. Levy, 5,532 shares; Mr. Mahoney, 5,532 shares; Mr. Mohan, 1,952 shares; and Mr. Sullivan 0 shares. Mr. Craigie's shares include 4,040 shares held in trust for the benefit of his children and Mr. Craigie disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.
- (8) Includes 12,500 shares subject to stock options with an exercise price of \$19.25.
- (9) Includes 14,480 shares subject to stock options with an exercise price of \$17.27 per share, 28,288 shares subject to stock options with an exercise price of \$17.15 per share, 41,820 shares subject to stock options with an exercise price of \$25.36 per share, 58,800 shares subject to stock options with an exercise price of \$25.32 per share, 72,551 shares with an exercise price of \$17.40, 400,000 shares with an exercise price of \$14.58 per share that Mr. Deno has the right to acquire within 60 days of February 28, 2018. Does not include 128,587 shares subject to stock

options, 48,698 restricted stock units and 55,172 performance share units that are not exercisable or will not vest within 60 days of February 28, 2018.

(10) Includes 8,704 shares subject to stock options with an exercise price of \$17.15 per share, 11,029 shares subject to stock options with an exercise price of \$25.36 per share, 175,000 shares subject to stock options with an exercise price of \$25.36 per share that Mr. Murtha has the right to acquire or that will vest within 60 days of February 28, 2018.

(11) Includes 21,163 shares subject to stock options with an exercise price of \$17.27 per share, 16,538 shares subject to stock options with an exercise price of \$17.15 per share, 12,408 shares subject to stock options with an exercise price of \$25.36 per share, 200,000 shares subject to stock options with an exercise price of \$22.09 per share that Mr. Singh has the right to acquire or that will vest within 60 days of February 28, 2018. Does not include 104,799 shares subject to stock options, 65,058 restricted stock units, and 44,871 performance share units that are not exercisable or will not vest within 60 days of February 28, 2018.

(12) Includes 66,831 shares subject to stock options with an exercise price of \$17.27, 130,561 shares subject to stock options with an exercise price of \$17.15 per share, 165,441 shares subject to stock options with an exercise price of \$25.36 per share, 177,940 shares subject to stock options with an exercise price of \$25.32 per share, 550,000 shares with an exercise price of \$10.03 per share, 2,562,424 shares subject to stock options with an exercise price of \$6.50 per share that Ms. Smith has the right to acquire within 60 days of February 28, 2018. Does not include 571,900 shares subject to stock options, 219,466 restricted stock units and 246,894 performance share units that are not exercisable or will not vest within 60 days of February 28, 2018.

(13) Includes 807,899 shares owned by CTS Equities, Limited Partnership, an investment partnership ( CTSLP ). Mr. Sullivan is a limited partner of CTSLP and the sole member of CTS Equities, LLC, the sole general partner of CTSLP. Also includes 399,296 shares held by a charitable foundation for which Mr. Sullivan serves as trustee. The shares held by CTSLP are pledged to Fifth Third Bank to secure debt of approximately \$18 million.

(14) Includes a total of 5,438,853 shares subject to stock options, 33,401 restricted stock units and 0 performance share units that our current directors and executive officers have the right to acquire or that will vest within 60 days of February 28, 2018. Does not include a total of 1,392,189 shares subject to stock options, 558,199 subject to restricted stock units and 481,435 shares subject to performance share units that our current directors and executive officers do not have the right to acquire within 60 days of February 28, 2018.

#### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires that our directors, executive officers and persons who own more than 10% of our common stock file reports of ownership and changes in ownership with the SEC. These persons are required to provide us with copies of all such filed forms. Based solely on review of such copies or written representations from reporting persons, we believe that all reports were filed on a timely basis during the fiscal year ended December 31, 2017. On February 14, 2018, our director, David Fitzjohn, filed a Form 5 to report the cumulative number of shares (10,556 shares) that he was not previously aware that he received under an automatic dividend reinvestment program through his broker. The report included shares received in 2015, 2016 and 2017 before he became aware of and terminated participation in the program.



**Table of Contents****EXECUTIVE COMPENSATION AND RELATED INFORMATION****Compensation Discussion and Analysis*****Introduction***

This Compensation Discussion and Analysis details the objectives and design of our executive compensation program. It includes a description of the compensation provided in 2017 to our named executive officers who are listed below and named in the Summary Compensation Table ( NEOs ).

Elizabeth A. Smith	Chairman of the Board of Directors and Chief Executive Officer
David J. Deno	Executive Vice President, Chief Financial and Administrative Officer
Christopher W. Brandt <sup>(1)</sup>	Executive Vice President, Chief Brand Officer
Patrick C. Murtha <sup>(1)</sup>	Executive Vice President, President, Bloomin' Brands International
Sukhdev Singh	Executive Vice President, Global Chief Development Officer and Franchising

(1) Messrs. Brandt and Murtha departed from the Company as of December 31, 2017.

***Market Context and Our Response******2017 Macroeconomic and Industry Conditions and the Effect on Our Business***

In 2017, the casual dining industry continued to experience considerable pressure driven by the changing landscape of the restaurant space. Casual dining traffic levels declined due to ongoing challenges including an oversupply of restaurants, the relative affordability and quality of prepared meals from supermarkets, and an increase in home delivery services. These changing industry dynamics have led to an increased emphasis on discounts and promotions to improve value.

The improving macroeconomic backdrop has not translated into casual dining sales momentum, while the improved labor market has led to an increase in industry labor costs. This combination has added pressure to industry operating margins.

In response to these challenges, we continued our strategic plan to revitalize our competitive position to drive profitability, strengthen our balance sheet and increase returns to stockholders. Actions taken in 2017 included:

- Optimized domestic go-to market strategy through actions such as refranchising 54 restaurants and relocating Outback restaurants to better locations



Prioritized the emerging off-premise opportunity and introduced delivery in 240 locations across the United States

Strengthened our balance sheet through various capital allocation initiatives, such as the refinancing of our credit facility at lower interest rates and the completion of sale-leaseback transactions for 31 restaurant properties

Enhanced guest experience through product upgrades, menu innovation, expansion of the Dine Rewards loyalty program and the ongoing investment in exterior remodels to contemporize our restaurants

Maximized stockholder return by repurchasing \$272.7 million of our common stock and declared and paid \$31.0 million of dividends to our stockholders

Improved returns to our stockholders with an annual total stockholder return of 20.5% for 2017

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***Impact on Our Pay Decisions***

For fiscal 2017, we maintained our compensation strategy, which is designed to motivate execution and implementation of our financial and operations objectives. Highlights of our compensation program for 2017 included the following stockholder-aligned pay decisions:

Held CEO target compensation flat for the third year

Held target compensation for other NEOs flat, with the exception of a market adjustment for one individual due to increased responsibilities

Short-term incentive ( STI ) and long-term incentive ( LTI ) payouts for 2017 achieved 128% and 83% of Plan, respectively, in line with our performance on key financial measures in 2017

Maintained our long-term incentive program focus on retention during execution of our strategic priorities

***Pay and Performance Alignment Chief Executive Officer Realizable Pay***

In line with our pay for performance philosophy, the realizable value of our NEOs' pay responds to market conditions and Company performance. The following table illustrates this by comparing our CEO's 2017 target and realizable incentive pay, which reflects the improvement of our performance and total stockholder return in 2017:

Note: Target pay includes target bonus and the grant date value of options, RSUs and PSUs awarded for fiscal 2017. Realizable pay for such awards includes bonus payout and the in-the-money value of stock options, the total market value of the RSUs awarded, and the total market value of the shares underlying PSUs at target (as they are not yet earned), in each case based on the December 29, 2017 stock price.

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The following chart illustrates the relationship between our CEO's target and realizable compensation for the prior three years and the Company's three-year total shareholder return. **Over the period, our CEO's realizable compensation has tracked the shareholder experience while target compensation has remained flat.**

Note: Target pay includes base salary, target bonus and the grant date value of options, RSUs, and PSUs for the applicable period. Realizable pay includes base salary, bonus payout, in-the-money value of stock options, the total market value of RSUs granted during the fiscal period, and the total market value of PSUs earned (or at target if not yet earned) during the period in each case based on the December 29, 2017 stock price.

***Compensation Program Philosophy***

The Company's primary objectives for its executive compensation programs are to attract and retain executives, provide a competitive compensation package, and motivate and reward a talented, entrepreneurial and creative team of executives.

Our methods of achieving these objectives are summarized below:

<b>OBJECTIVES</b>	<b>HOW WE MEET OBJECTIVES</b>
Attract and retain talented executives	Provide a competitive total compensation package by taking into account base salary, performance incentives and benefits
Motivate and reward executives	Provide a significant portion of each executive's target total compensation in the form of equity compensation Balance annual incentives between equity-based and cash-based compensation to support a high-performing culture
Provide a competitive compensation package	Benchmark our compensation against competitors and peer group Target competitive positioning to align with industry
Ensure internal equity among executives	Adjust compensation based on review of job responsibilities and individual performance in addition to market data
Align management and stockholder interests	Provide compensation based on short-term and long-term performance objectives

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OBJECTIVES	HOW WE MEET OBJECTIVES
Pay for Performance	Provide the majority of executive pay approximately 86% of the targeted compensation for our CEO and approximately 67% of the targeted compensation for our other NEOs in 2017 through variable incentive awards that are at-risk to ensure that realized pay is tied to attainment of significant short- and long-term operating goals

***Our Executive Compensation Program***

[\*What We Do and Do Not Do Elements of Our Executive Compensation Program\*](#). We seek to ensure that our executive compensation programs are closely aligned with the interests of our stockholders by following these executive compensation best practices:

WHAT WE DO	WHAT WE DO NOT DO
Design an executive compensation program to mitigate undue risk	x Engage in speculative transactions involving our stock, including hedging
Award annual incentive compensation subject to achievement of objective and pre-established performance goals tied to operational and strategic objectives	x Perform stock option re-pricing without stockholder approval
Benchmark executive officer compensation against a relevant peer group	x Provide cash buyouts for underwater stock options or stock appreciation rights without stockholder approval
Include double trigger change-in-control vesting provisions for equity awards	x Provide cash compensation upon death or disability
Engage an independent compensation consultant that reports directly to the Compensation Committee	x Pay dividends on any unvested stock options, stock appreciation rights, restricted stock units or unearned performance-based equity awards. Dividend equivalents are only payable on such awards to the extent the awards are vested and earned
Use a compensation recovery policy for the CEO, certain officers and other key employees	x Provide excise tax gross-ups upon change in control
Require stock ownership and retention values that align the interests of our executive officers and other key employees with the long-term interests of our stockholders	
Provide minimal perquisites with sound business rationale	

[\*Peer Group and Competitive Market Information\*](#). The Compensation Committee utilizes a peer group of certain consumer discretionary companies to evaluate executive officer compensation levels and to benchmark our executive compensation design and governance features. The Compensation Committee reviews the peer group on an annual basis to ensure the peer group includes companies with certain attributes. These attributes include that the companies are of comparable size (based on revenue, market capitalization and other relevant metrics), maintain strong consumer brands, have multiple consumer brands in their portfolios, have an entrepreneurial culture, are globally positioned and compete with us for executive talent.

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For 2017, the peer group data compiled by the independent compensation consultant, Frederic W. Cook & Co., Inc. ( FW Cook ) was used to establish market consensus information (the Competitive Market ) against which the Compensation Committee assessed our compensation elements. The Compensation Committee also periodically reviews other benchmarking data as presented by FW Cook and the Company s human resources management, such as equity vesting practices, the prevalence of performance metrics among peer companies, types of equity vehicles used by peer companies and equity burn rates.

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The peer group used for 2017 compensation benchmarking consisted of the following companies:

<b>PEER GROUP COMPANIES (1)</b>		
Bob Evans Farms, Inc.	Hyatt Hotels Corporation	Starbucks Corporation
Brinker International, Inc.	Jack in the Box Inc.	Starwood Hotels & Resorts Worldwide, Inc.
Chipotle Mexican Grill, Inc.	MGM Resorts International	Texas Roadhouse, Inc.
Cracker Barrel Old Country Store, Inc.	Panera Bread Company	The Cheesecake Factory Incorporated
Darden Restaurants, Inc.	Ross Stores, Inc.	The Wendy's Company
DineEquity, Inc.	Royal Caribbean Cruises Ltd.	Wyndham Worldwide Corporation
Foot Locker, Inc.	Ruby Tuesday, Inc.	YUM! Brands, Inc.

(1) In July 2017, the Compensation Committee revised the peer group to be used for 2018 and subsequent compensation decisions to remove (i) Panera Bread Company, Starwood Hotels & Resorts Worldwide, Inc., Ruby Tuesday, Inc. and Bob Evans Farms, Inc. due to a change in strategy or acquisition; and (ii) Starbucks Corporation and Ross Stores, Inc. due to the scope of revenues and other financial metrics. In addition, Buffalo Wild Wings, Domino's Pizza, Norwegian Cruise Line Holdings, and Williams-Sonoma, Inc. were added to the 2018 Peer Group due to market strategy and the scope of revenues and other financial metrics.

**Competitive Positioning.** Our executive compensation program is designed to target the following Competitive Market ranges for each element of compensation; however, an individual's compensation may be below or above the targeted competitive positioning based on performance of the business or operations for which the individual is responsible, the individual's skill set relative to industry peers, overall experience and time in the position, critical nature of the individual's role, difficulty of replacement, expected future contributions, readiness for promotion to a higher level and role relative to that of other executive officers and other business factors. In assessing the target range for compensation relative to the market, the Compensation Committee considered the need to attract and retain key executive talent and provide minimum, competitive levels of base salary, taking into account that base salaries serve as the basis for short- and long-term incentive opportunities. For incentive-based compensation, the Compensation Committee also considered the competitive market for talent in the restaurant industry, and the responsibility for determining the overall strategy and direction for the Company. The Compensation Committee determined that it was appropriate to target the median for cash compensation and between the median and 75<sup>th</sup> percentile for short- and long-term incentives to keep our executives motivated to achieve high performance in both short- and long-term.

<b>COMPENSATION ELEMENT</b>	<b>TARGETED RANGE</b>
Base Salary	Competitive Market Median
Short-Term Incentives	Between the Median and 75th Percentile
Target Total Cash	Between the Median and 75th Percentile
Long-Term Incentives	Between the Median and 75th Percentile
Target Total Compensation	Between the Median and 75th Percentile

**Compensation Setting Process**

**Compensation Committee.** Our Compensation Committee oversees our executive compensation program and, in some cases, together with the Board of Directors, approves the type and amount of compensation paid to our CEO and other executive officers, approves agreements with our executive officers and provides oversight to our equity compensation plan and meets periodically and monitors our compensation arrangements and objectives. The

Compensation Committee considers the Competitive Market data provided by FW Cook and the Company's human resources management, as well as recommendations from management, and evaluates the appropriateness and competitive positioning of the CEO and the other NEOs' total compensation and each compensation element. The Compensation Committee reviews the compensation of the CEO and recommends her compensation to the full Board of Directors for approval, which also reviews the CEO's performance. Our executive officers possess employment agreements or offers of employment that establish, among other things, the executive's base salary and target bonus, measured as a percentage of base salary, as well as benefits upon a termination of employment and/or a change in control of the Company. Our Compensation Committee is responsible for approving equity awards to our executive officers in order to qualify these awards as exempt awards under Rule 16b-3 under the Exchange Act.

The Compensation Committee also considers the annual non-binding stockholder vote on executive compensation in setting executive compensation. At our 2017 annual meeting, this proposal received a vote of 79% of the votes cast in favor of approving our executive compensation for 2016.

*Our Investor Outreach Program.* We conduct wide-ranging governance reviews and investor outreach throughout the year to ensure that management and the Board understand and consider the issues that matter most to our stockholders to enable the Company to address them effectively. After considering feedback received from investors, the Board determined to formalize additional

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responsibilities for, and enhance its process for selecting, the Chairman (see [Board Leadership Structure](#) ). In addition, the Compensation Committee reviewed and determined the current mix of long-term equity awards (approximately 60% performance-based with 30% granted in the form of PSUs and 30% in stock options along with 40% granted in the form of RSUs). Although no change was made, the Compensation Committee will continue to evaluate the mix of long-term equity awards each year.

[\*Role of Independent Compensation Consultant\*](#). The Compensation Committee has engaged FW Cook to serve as its independent compensation consultant since 2013. FW Cook's responsibilities include, but are not limited to, providing compensation market data, advising on trends and developments in executive compensation, periodically reviewing the design of the executive compensation program, providing independent analysis of CEO compensation and providing advice to the Compensation Committee and its Chair, as requested. The Compensation Committee has directly engaged, and has the sole authority to hire and terminate FW Cook. FW Cook attends Compensation Committee meetings and, on occasion, obtains information and input from management to ensure that its recommendations are consistent with Bloomin' Brands' strategy and culture.

[\*Role of Chief Executive Officer in Compensation Decisions\*](#). The Compensation Committee considers the recommendations of the CEO with respect to salary adjustments, annual cash incentive bonus targets and awards and equity incentive awards for our other executive officers. In addition, the CEO provides input to the Committee on the design of incentive compensation and other employee benefit plans to ensure alignment with the Company's strategy.

Our CEO reviewed fiscal 2017 performance objectives with the Compensation Committee, including financial objectives and non-financial objectives for strategic business and human capital priorities. The Compensation Committee meets in executive session with and without its compensation consultant to review and discuss the performance and compensation of the CEO. The CEO does not participate in determinations or recommendations regarding her own compensation.

**Compensation Elements**

[\*Mix of Total Compensation\*](#). Our compensation program consists of three primary elements and other secondary benefits:

<b>Compensation</b>		
<b>Element</b>	<b>Description</b>	
Primary Elements	Base Salary	Fixed cash compensation designed to provide appropriate, Competitive Market-based predictable compensation Determined and reviewed annually by the Compensation Committee with input from the compensation consultant, CEO (for other officers) and the Company's human resources management
	Performance-based cash incentives	Variable cash compensation based on performance measured against Compensation Committee-approved annual targets and individual performance Target based on Competitive Market data
	Long-term equity incentive awards	Variable compensation distributed in the form of PSUs (30%), RSUs (40%) and stock options (30%) PSUs cliff vest after 3 years based on achievement of performance goals



		RSUs vest ratably over 4 years
		Stock options vest ratably over 4 years
		Target values based on Competitive Market data
	Retention-based cash and equity incentives	Variable cash and/or equity compensation for retention and promotion purposes and/or based on individual performance against additional business strategies that arise
Secondary Benefits	Other benefits and perquisites	Medical, dental and vision insurance coverage, as well as life insurance and disability protection Deferred compensation plan to allow efficient personal tax planning Relocation assistance for certain newly-hired executives
	Change in Control and termination benefits	Provides the CEO, NEOs and other company executives benefits payable upon specified employment termination events as described in the Change in Control policy, employment agreement or offer of employment

In allocating compensation among the various compensation elements, we provide equitable and competitive levels of fixed compensation (base salary and benefits) while emphasizing performance-based compensation that is dependent on our overall performance and/or, if applicable, restaurant concept performance along with individual performance. Long-term equity incentives comprise the largest share of total compensation and provide an important connection to stockholder interests. We do not target a

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specific percentage for each element of compensation relative to total compensation. Our mix of compensation results from targeting a percentage that will allow us to be competitive.

The charts below show the target compensation mix for the CEO and the average compensation mix of the other NEOs.

*Base Salaries.* Base salaries reflect demonstrated experience, skills and competencies as well as Competitive Market value. Base salary levels of our executive officers may be increased by the Compensation Committee as part of the annual performance review process, upon an executive officer's promotion, change in job responsibilities or to address internal or external equity, as recommended by management.

As a result of the Competitive Market data analysis performed in February 2017, the Compensation Committee decided to maintain current base salaries based on the Company's relative position to the market, with the exception of a market adjustment for one individual. The base salary for Mr. Singh was adjusted by 5% due to additional franchising responsibilities.

Base salaries of the NEOs and the change thereto for Mr. Singh during 2017, are listed in the table below:

<b>NAMED EXECUTIVE OFFICER</b>	<b>2017 BASE SALARY</b>	<b>CHANGE DURING 2017</b>
Elizabeth A. Smith	\$ 1,000,000	
David J. Deno	650,000	
Christopher W. Brandt	560,000	
Patrick C. Murtha	500,000	
Sukhdev Singh	500,000	25,000

*Performance-Based Short-Term Incentive Plan and Other Cash Incentives.* Cash incentives are awarded to all of our executive officers under performance-based short-term incentive plans (each, a "STIP"), which are designed so that a significant portion of annual compensation to each NEO is dependent on the financial performance of the Company. These awards are payable based on the achievement of annual financial objectives measured against our internal operating plan and individual achievement of performance goals established at the beginning of the year related to the Company for corporate executives (the "2017 Corporate STIP") and for concept executives, including our international business unit (each, a "2017 Concept STIP"). Annual STIP targets, measured as a percentage of base salary, are established in each executive officer's employment agreement or offer of employment and may be increased by the Compensation Committee from time to time. Payouts can range from 0% to 200% of the established percentage of salary, with a payout at 50% if threshold performance is achieved, 100% if target performance is achieved and 200% if maximum performance is achieved. No payouts are made under the STIP unless a minimum objective of profitability is achieved.

***2017 STIP Measures and Targets***

The 2017 STIP payout was based on Company performance and restaurant concept performance, as applicable, compared to the pre-established financial goals of (1) adjusted earnings per share (adjusted net income as further

adjusted for certain items such as foreign exchange translation, divided by the total diluted weighted-average shares outstanding (weighted-average shares outstanding plus the dilutive effect of common stock equivalents, including restricted stock, RSUs, PSUs and stock options) ( Adjusted EPS )) (Adjusted EPS calculation for STIP purposes is similar to the non-GAAP Adjusted EPS that we use in our presentations with

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stockholders, adjusted to include certain variable, performance-based compensation expense, and excluding the impact of sale leaseback transactions, restaurant closings, gains and losses on disposed assets and certain other gains and losses, and the impact of other infrequent occurrences that are not reflective of our business operations (mainly the impact of Hurricanes Harvey and Irma) (collectively, the Certain Items ); (2) adjusted EBIT (earnings before interest and taxes adjusted to primarily exclude the Excluded Items ( Adjusted EBIT )); and (3) total revenue growth (measured as the percentage increase in total revenue over the prior fiscal year ( Total Revenue Growth )). The purpose of the adjustments is to ensure that the measurement of performance reflects factors that management can directly control and that payout levels are not artificially inflated or impaired by factors unrelated to the ongoing operation of the business. See Non-GAAP Financial Measures Other Non-GAAP Financial Measures under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2017 for additional information.

The STIP for Ms. Smith and Messrs. Deno, Brandt and Singh was based solely on the 2017 Corporate STIP. The STIP for Mr. Murtha was based 50% on the 2017 Corporate STIP and 50% on the 2017 Concept STIP for the Company's international business unit ( BBI International ).

The financial objectives for the 2017 Corporate STIP consisted of two measures: Adjusted EPS (weighted 70% of the STIP) and Total Revenue Growth (weighted 30% of the STIP). The financial objectives for the 2017 Concept STIP also consisted of two measures: Adjusted EBIT (weighted 70%) and Total Revenue Growth (weighted 30%) for the restaurant concept.

In addition, the STIP payout amount is subject to individual performance ratings. These criteria encourage critical leadership behaviors and performance, but are not quantifiable, such as the development of a high-performing and inclusive team, a strong commitment to high ethical standards and the achievement of strategic goals and objectives for the year. The 2017 STIP target payout amounts for each NEO, as a percentage of his or her base salary were as follows:

NAMED EXECUTIVE OFFICER	2017 ANNUAL PERFORMANCE-BASED CASH INCENTIVE TARGET, AS A PERCENTAGE OF BASE SALARY	CHANGE FROM 2016 AS A PERCENTAGE OF BASE SALARY	STIP WEIGHTING	
			COMPANY	CONCEPT
Ms. Smith	150%		100%	
Mr. Deno	85%		100%	
Mr. Brandt	85%		100%	
Mr. Murtha <sup>(1)</sup>	85%	N/A	50%	50%
Mr. Singh <sup>(1)</sup>	85%	N/A	100%	

(1) Messrs. Murtha and Singh were not listed NEOs in 2016.

The 2017 STIP target amounts were payable with respect to the achievement of each financial objective as follows (expressed as a percentage of growth over the prior year), and the minimum and maximum payout amounts ranged from 0% to 200% of target, with a threshold payment at 50% of target, based on a non-linear sliding scale:

NAMED EXECUTIVE OFFICER	ADJUSTED EARNINGS PER SHARE <sup>(1)</sup>	COMPANY REVENUE GROWTH <sup>(2)</sup>	BBI INTERNATIONAL ADJUSTED EBIT GROWTH <sup>(3)</sup> TARGET	BBI INTERNATIONAL REVENUE GROWTH <sup>(4)</sup> TARGET
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	<b>TARGET</b>	<b>TARGET</b>	<b>(3.2%)</b>	<b>(-5.1%)</b>
	<b>(\$1.29)</b>	<b>(-3.4%)</b>		
Ms. Smith	105%	45%		
Mr. Deno	59.5%	25.5%		
Mr. Brandt	59.5%	25.5%		
Mr. Murtha <sup>(3)</sup>	29.75%	12.75%	29.75%	12.75%
Mr. Singh	59.5%	25.5%		

(1) Adjusted EPS had a threshold for payment (of 50%) at 92% of the target Adjusted EPS and a maximum payout (of 200%) at 110% of the target Adjusted EPS, with such growth based on a comparable calendar year, since fiscal 2017 was a 53-week fiscal year.

(2) Company Revenue Growth had a threshold for payment (of 50%) at 99% of the target for the Company's Total Revenue Growth and a maximum payout (of 200%) at 102% of such target Total Revenue Growth based on a comparable calendar year.

(3) BBI International Adjusted EBIT had a threshold for payment (of 50%) at 94% of the target Adjusted EBIT and a maximum payout (of 200%) at 116% of such target Adjusted EBIT based on a comparable calendar year.

(4) Based on a comparable calendar year, BBI International Total Revenue Growth had a threshold for payment (of 50%) at 94% of the target for BBI International Total Revenue Growth and a maximum payout (of 200%) at 102% of such target Total Revenue Growth.

The Adjusted EPS, Adjusted EBIT and Total Revenue Growth performance levels were established by the Compensation Committee at the beginning of the year based on the Company's and/or the restaurant concept's business plan, as well as industry and general economic conditions and trends, among other considerations. Our goals were rigorously set based on our business plan and at or above last year's results. The performance levels were expected to present a challenge, especially with the persisting economic conditions; however, achievement of these goals was not viewed as requiring or encouraging excessive risk-taking by our executives.

**Table of Contents****2017 Performance**

For the 2017 Corporate STIP, the Company attained a Total Revenue Growth of -0.9% and Adjusted EPS of \$1.30 (comparable calendar year) resulting in a weighted achievement percentage of 128% of target.

In addition to the financial performance measures listed above, each executive officer was assigned an individual performance rating for the year, as recommended by the CEO. Individual performance and subsequent compensation decisions are based on the achievement of strategic goals and objectives for which the individual is responsible, such as the development of a high-performing and inclusive team, a strong commitment to high ethical standards, the individual's skill set relative to peers, the critical nature of the individual's role, the difficulty of replacement, their expected future contributions and their role relative to that of other executive officers.

In determining incentive award payouts for 2017, the Compensation Committee and Board considered the following:

Performance against plan for all concepts

Measured and timely progress on the off-premise opportunity

Deal execution and financing efforts for the sale-leaseback transactions

Ms. Smith and Mr. Deno received 100% individual performance rating, and Mr. Singh received 120% individual performance rating. Their efforts led to the achievement of the Company's annual operating plan, maximizing short-term business results while supporting the achievement of long-term goals. In addition, Mr. Singh led the design, development and construction for our first Express locations which opened in 2017 that combine Outback and Carrabba's offerings in the delivery and takeout-only format. Mr. Singh continues to lead our efforts to relocate stores and create an improved ambiance for our guests' experience through interior and exterior remodels.

Messrs. Brandt and Murtha left the Company prior to the STIP payment; therefore, they were not eligible to receive the STIP payout.

**2017 STIP Payouts**

The financial performance achieved under the 2017 Corporate and 2017 Concept STIP, combined with the respective individual performance resulted in the following performance-based cash incentives:

<b>NAMED EXECUTIVE OFFICER</b>	<b>STIP PERFORMANCE PAYOUT</b>	<b>ACHIEVEMENT AS A % of STIP TARGET</b>	<b>ACHIEVEMENT AS A % of BASE SALARY</b>
Ms. Smith	\$ 1,920,000	128%	192%
Mr. Deno	707,200	128%	109%
Mr. Brandt			
Mr. Murtha			
Mr. Singh	647,778	154%	128%

Performance-based cash incentives earned by the NEOs are reflected in the Summary Compensation Table under the heading Non-Equity Incentive Plan Compensation. Threshold, target and maximum payments for the NEOs under the 2017 STIP are reflected in Grants of Plan-Based Awards for Fiscal 2017.

***Other Cash Incentives, Retention Awards***

In connection with Mr. Brandt's offer of employment in May 2016, he was granted a one-time cash award of \$250,000 payable in 2017.

In light of retention concerns and in recognition of their significant responsibilities in 2017 to continue execution on our transformational strategy that began in 2016 relating to reinvestments in our product and labor model, cost cutting measures, revisions to our menus and improvements in our supply chain, the Compensation Committee recommended to the Board in March 2017 a payment of special cash incentives to all NEOs other than the CEO. Payments to the NEOs were made in the following amounts: Mr. Deno \$200,000, Mr. Brandt \$150,000, Mr. Murtha \$100,000, and Mr. Singh \$300,000. Upon any voluntary termination less than one-year from the date of payment, the NEOs are required to repay the amount in full.

*Long-Term Equity Incentive Awards*. LTI awards are designed to align a significant portion of total compensation with our long-term goal of stockholder value creation. These equity awards are designed to reward longer-term performance, facilitate equity ownership, deter outside recruitment of our key personnel and further align the interests of our executive officers with those of our stockholders. Equity awards have generally been limited to our executive officers and other key employees who are in a position to contribute substantially to our growth and success.

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In April 2016, the Company's stockholders adopted a new Omnibus Incentive Plan (the 2016 Plan) to replace our 2012 Equity Incentive Plan (the 2012 Plan). The purpose of the 2016 Plan is to promote the interests of our Company and its stockholders by (1) providing a means for our Company to attract and retain talented individuals; (2) encouraging the profitability and growth of our Company through annual and long-term incentives that are consistent with our goals and link a significant portion of compensation to the value of our common stock; and (3) providing incentives that will align the interests of our employees, consultants and directors with those of our stockholders. This plan was in effect for awards beginning in May 2016.

The Company also has an Equity Award Policy that prohibits granting equity awards in anticipation of the release of material nonpublic information, and we do not time the release of material nonpublic information based on equity award grant dates. Because the Company believes equity awards are an important part of our compensation program, we grant equity awards on an annual basis to key employees (other than newly hired employees), including our executive officers. Annual equity awards must be approved by the Compensation Committee (or the Board) during an open trading window following the second business day after the announcement of earnings for the fiscal year. This policy exists so the Company can issue our annual equity award grants during the time when potential material information regarding our financial performance is most likely to be available to the market. The Compensation Committee approves new-hire, promotion and retention equity awards for NEOs as well as other executive officers, and has delegated the authority to the Equity Award Committee to approve all other off-cycle new-hire, promotion and retention equity awards. For all off-cycle equity award grants, the grant date is the first trading day of the first calendar month containing a trading date following the date of the recipient's hire or promotion date and for options, has an exercise price equal to 100% of the closing price of the Company's common stock on such grant date.

***2017 LTI Awards***

In February 2017, the Board of Directors approved, based on the recommendation of the Compensation Committee, LTI grants to our executive officers under the 2016 Equity Plan consisting of 30% stock options, 40% RSUs and 30% PSUs. In 2016, the decision was made to add RSUs to our equity pay mix in order to provide our key executives with meaningful retentive value. The RSUs vest 25% per year over four years which further aligns our NEOs' interests with shareholders by providing an economic interest to maintain and enhance the value of shares over the long term.

In 2017, we awarded stock options which provide our executives the opportunity to share in the increase in stock value over time. The stock options vest 25% per year over four years, have an exercise price equal to 100% of the closing price of our common stock on the date of grant and are exercisable over a ten-year term, contingent upon continued employment.

In addition, we awarded PSUs to our executives intended to motivate executives to achieve preset goals that are in line with critical business value drivers. In 2016, we moved away from the annual performance measurement periods to a cumulative three-year performance period, to better align the executives with stockholders by emphasizing long-term goals and objectives and enhancing executive retention. In fiscal 2017, we maintained the PSU cliff vesting at the end of the three-year performance period, contingent upon continued employment. This component of three-year cliff vesting encourages executives to have a longer-term perspective with respect to driving performance, rather than taking risks for short-term pay-off. The number of units earned varies to the extent the performance targets are achieved over the period, ranging from 50% for threshold achievement to 200% for maximum achievement. The PSUs are distributed upon the Compensation Committee certifying that the performance metrics were attained and making a recommendation of payment that is approved by the Board.

Management and the Compensation Committee review the performance target each year as part of the LTI design to ensure the goals incent the right behaviors and business decisions. For 2017, Adjusted EPS growth was chosen as the



performance measure for the PSUs in order to continue to incentivize executives to successfully balance profit maximization and the efficient use of capital. We believe that Adjusted EPS is an appropriate short-term and long-term performance goal since there is a direct correlation between the increase in adjusted earnings per share and stockholder value, as well as the value of the equity to be received by the executive officer. The following table shows the percentage of PSUs that may be earned under the 2017 PSU award based on the average annual percentage growth of the Company's Adjusted EPS over the 2017-2019 performance period:

PERFORMANCE MEASURE	PERFORMANCE MEASURES AND TARGETS		
	THRESHOLD	TARGET	MAXIMUM
	(50% of shares are earned)	(100% of shares are earned)	(200% of shares are earned)
2017-2019 Average Annual Adjusted EPS Growth <sup>(1)</sup>	4%	7%	12%

(1) The baseline Adjusted EPS for 2016 used to measure such growth is \$1.25.

The LTI grants made in 2014 and 2015 for performance periods 2014-2017, and 2015-2018, respectively, utilized annual performance periods for each year during the four-year terms. Therefore, the Company's performance during 2017 also determined the extent of the awards earned for a portion of those awards. The Company's 2017 Adjusted EPS, as defined under the Company's 2012 Equity Incentive Plan and the 2014 and 2015 award agreements, was the performance metric for the fourth tranche of the 2014 PSU award and third tranche of the 2015 PSU award. Adjusted EPS calculation for LTI purposes is similar to the non-GAAP Adjusted

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EPS that we use in our presentations with stockholders, adjusted to include certain variable, performance-based compensation expense, and excluding the impact of the Certain Items. The following table shows the percentage of PSUs earned under the fourth tranche of the 2014 PSU award and the third tranche of the 2015 PSU award and the applicable performance measures:

PERFORMANCE MEASURE	PERFORMANCE MEASURES AND TARGETS			ACTUAL RESULTS	PERCENTAGE OF PSUs EARNED IN 2017
	THRESHOLD (50% of shares are earned)	TARGET (100% of shares are earned)	MAXIMUM (200% of shares are earned)		
2017 Adjusted EPS (2014 and 2015 grant) <sup>(1)</sup>	\$ 1.19	\$ 1.29	\$ 1.42	\$ 1.25	83.33%

(1) Based on a comparable calendar year. Adjusted EPS as defined for these grants does not take into account the impact of infrequent occurrences that are not reflective of our business operations such as Hurricanes Harvey and Irma.

For amounts between the threshold, target and maximum amounts set forth above, the participant will earn a number of shares based on a non-linear sliding scale between such percentages. No shares are earned for achievement of performance measures below the threshold. The following table sets forth (a) the aggregate target PSUs awarded in 2014, 2015, 2016 and 2017, (b) the number of shares that could be earned based on 2017 results and continued employment through the vesting date and (c) the number of shares actually earned of the tranche based on 2017 results (25% of the total award for years prior to the 2016 grant) that were earned, based on the performance achieved for 2017.

NAMED EXECUTIVE OFFICER	PSUs AWARDED				PORTION OF PSUs SUBJECT TO 2017 PERFORMANCE				PSUs EARNED BASED ON FY 2017 RESULTS	
	2014 AWARD	2015 AWARD	2016 AWARD	2017 AWARD	2014 AWARD	2015 AWARD	2016 AWARD <sup>(1)</sup>	2017 AWARD <sup>(1)</sup>	2014 AWARD	2015 AWARD
Ms. Smith	86,651	92,138	82,670	82,620	21,663	23,034			18,052	19,195
Mr. Deno	28,634	23,291	17,912	17,901	7,159	5,823			5,966	4,853
Mr. Brandt <sup>(2)</sup>				12,852						
Mr. Murtha <sup>(2)</sup>		9,214	11,023	9,180		2,303				
Mr. Singh		6,911	10,472	26,163		1,728				1,440

(1) Due to the 3-year cliff vesting, none of the 2016 or 2017 PSU awards will vest until fiscal 2019 and fiscal 2020, respectively.

(2) Messrs. Brandt and Murtha left the Company prior to certification of the LTIP results and payout; therefore, the awards were forfeited.

**Off-Cycle 2017 LTI Awards**

In May 2017, Mr. Murtha was granted 46,927 PSUs to further engage long-term performance and strengthen retention. The award was intended as a retention incentive for the two-year term of the award. The performance metrics included (i) financial performance (revenue growth); (ii) operating performance (EBITDA growth); (iii) strategy development and execution to create long-term growth by expanding beyond current market, increasing number of franchise partnerships and grow franchise revenues during the performance period; and (iv) succession planning. As Mr. Murtha left the Company at the end of the 2017 fiscal year, per the terms of the agreement, the award was forfeited.

See [Grants of Plan-Based Awards for Fiscal 2017](#) for additional information regarding 2017 equity awards to the named executive officers and [Potential Payments Upon Termination or Change in Control Equity Awards](#) for additional information regarding the terms of awards upon termination of employment and a change in control.

### ***Other Policies and Practices Related to Executive Compensation***

[Compensation Recovery \( Clawback \)](#). We have a Compensation Recovery Policy pursuant to which the CEO, certain officers who report directly to the CEO and key employees designated by the Board will be required to return incentive compensation paid to them if the financial results upon which the awards were based are restated and republished under applicable securities laws, excluding any restatement required due to changes in accounting rules or standards or changes in applicable law (a [Material Financial Restatement](#) ).

At the Board's discretion, we can recover all or a portion of any cash or equity-based compensation to the extent that it is paid, earned or vests less than three years prior to the date we publicly disclose the need for the applicable [Material Financial Restatement](#).

We believe our Compensation Recovery Policy is sufficiently broad to reduce the potential risk that the CEO, certain officers or key employees would intentionally misstate results in order to benefit under an incentive program and provides the opportunity for recoupment of compensation that should not have been rewarded.

[Stock Ownership Guidelines](#). To further strengthen the link between executive and stockholder interests, we have a Stock Ownership Guidelines Policy for directors, executive officers and Executive Leadership Team who are eligible to receive long-term incentive awards. The target level of ownership of our common stock is established as a multiple of base salary or annual retainer, as applicable.

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<b>POSITION</b>	<b>TARGET OWNERSHIP</b>
Non-Employee Directors	5x Annual Retainer
Chief Executive Officer	5x Base Salary
Executive Officers	3x Base Salary
Executive Leadership Team	1x Base Salary

Each individual subject to the Stock Ownership Guidelines Policy is expected to achieve the ownership target within five years from the date on which the individual became subject to the guidelines. Shares that count toward the target ownership amount include common stock directly or indirectly owned, estimated after-tax value of unvested, time-vested restricted stock or RSUs and estimated after-tax, in-the-money value of vested stock options. Unvested stock options, out-of-the-money stock options and unearned PSUs do not count toward the target ownership amount. While the employee is not in compliance with his or her ownership requirement, the employee must retain 50% of the net after-tax shares received from the vesting or exercise of his or her LTI shares. Notwithstanding this restriction, employees may immediately sell company stock acquired by exercising stock options for the limited purposes of paying the exercise price of the stock option and any applicable tax liability.

*Insider Trading Policy Hedging.* Under our Insider Trading Policy, our directors and executive officers are prohibited from engaging in short sales or investing in other kinds of hedging transactions or financial instruments that are designed to hedge or offset any decrease in the market value of our securities.

*Other Benefits and Perquisites.* The NEOs are each entitled to receive certain perquisites and benefits under the terms of their employment agreements and offers of employment. We believe these benefits are reasonable and consistent with our overall compensation program and better enable us to attract and retain qualified employees for key positions. Such benefits include life insurance, medical insurance and annual physical examinations. The Compensation Committee periodically reviews the levels of perquisites and other benefits provided to the NEOs.

We offer a deferred compensation plan for our highly compensated employees who are not eligible to participate in our 401(k) plan. The deferred compensation plan allows highly compensated employees to contribute from 5% to 90% of their base salary and from 5% to 100% of their cash bonus on a pre-tax basis to an investment account consisting of various investment fund options. The plan permits us to make a discretionary contribution to the plan on behalf of an eligible employee periodically; however, we have not made any discretionary contributions to date. In the event of the employee's termination of employment, the employee is entitled to receive the full balance in the account in a single lump sum or in equal annual installments over a specified period of two to 15 years. If the employee becomes disabled or dies before any deferred amounts are paid out under the plan, we will pay to the employee (or the employee's beneficiary if applicable) the full balance in the account in a single lump sum. If the employee's employment terminates due to death or disability after he or she begins receiving payments, the remaining installment payments will be paid in installment payments as such payments come due.

The amounts attributable to perquisites and other benefits provided to the NEOs are reflected in the Summary Compensation Table under the heading All Other Compensation.

*Change in Control and Termination Benefits.* Each employment agreement or offer of employment and our equity award plans and agreements establish, among other things, the executive's benefits upon a termination of employment and/or a change in control. For a summary of these arrangements, see Potential Payments Upon Termination or Change in Control.

In addition, the Board of Directors adopted an Executive Change in Control Plan (the Change in Control Plan), which entitles executive officers and other key employees to certain severance payments and benefits in the event of a qualifying termination of employment upon or within the 24 months following certain change in control events. The

payments and benefits will be reduced by the amount of any severance or similar payments or benefits under an employment agreement or other arrangement with us and are subject to the employee's compliance with non-competition and other restrictive covenants and the other terms and conditions of the Change in Control Plan. These benefits are described in more detail under Potential Payments Upon Termination or Change in Control below.

The Company entered into a separation agreement with each of Messrs. Brandt and Murtha, effective December 31, 2017 related to involuntary termination without cause. The separation agreements set forth our obligation to make payments, including one-time lump sum severance payments, to Messrs. Brandt and Murtha totaling \$815,435 and \$1,200,900, respectively. These additional payments were agreed to in exchange for non-solicitation, non-disparagement and cooperation covenants in favor of the Company, Messrs. Brandt's and Murtha's waiver of the notice provisions of their offer of employment agreement and their execution of a general release of claims against the Company.

The Compensation Committee considers these severance and change in control benefits to be an important part of the executive compensation program and consistent with Competitive Market practice. The Compensation Committee believes that providing

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appropriate severance benefits helps to attract and retain highly-qualified executives by mitigating the risks associated with leaving a previous employer and accepting a new position with the Company, and by providing income continuity following an unexpected termination. Furthermore, these severance benefits provide the executive officers with a reasonable range of income protection in the event of a qualifying employment termination and, following a change in control, support our executive retention goals and encourage their independence and objectivity in considering potential change-in-control transactions. These arrangements also allow the Company to protect its interests through corresponding confidentiality, noncompetition and other restrictive covenants in the event of an executive's termination.

## ***Tax and Accounting Implications***

In making decisions about executive compensation, the Compensation Committee took into account certain tax and accounting considerations, including Sections 162(m), 409A and 280G of the Internal Revenue Code. Additionally, we account for stock-based payments in accordance with the requirements of FASB ASC Topic No. 718,

Compensation-Stock Compensation. Accordingly, our Compensation Committee has, in its judgment, authorized compensation payments that did not comply with the exemptions in Section 162(m) when it believed that such payments were appropriate to attract and retain executive talent or is otherwise in our best interests. In addition, because there are uncertainties as to the application of regulations under Section 162(m), as with most tax matters, it is possible that our deductions may be challenged or disallowed. Going forward, our Compensation Committee will consider the recent changes to Section 162(m) and any appropriate changes to our executive compensation program.

Our Compensation Committee considers the accounting implications of significant compensation decisions, especially in connection with decisions that relate to our equity incentive award plans and programs. As accounting standards change, we may revise certain programs to appropriately align accounting expenses of our equity awards with our overall executive compensation philosophy and objectives.

## **Compensation Committee Report**

The Compensation Committee has reviewed and discussed with management the foregoing Compensation Discussion and Analysis. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

### **Submitted by the Compensation Committee**

Mindy Grossman, *Chair*

David R. Fitzjohn

R. Michael Mohan (as of October 20, 2017)

## **Compensation Committee Interlocks and Insider Participation**

The Compensation Committee currently consists of Messrs. Fitzjohn and Mohan and Mses. Grossman and Beck, all of whom are Independent Directors.

## **Compensation-Related Risk**

As part of its oversight and administration of our compensation programs, the Compensation Committee considered the impact of our compensation policies and programs for our executive officers, to determine whether they present a significant risk to the Company or encourage excessive risk taking by our executive officers. Based on its review, the Compensation Committee concluded that our compensation programs do not encourage excessive risk taking and are not reasonably likely to have a material adverse effect on the Company.

**Table of Contents****Summary Compensation Table**

The following table summarizes compensation earned by our NEOs for fiscal 2017.

NAMED EXECUTIVE OFFICER	YEAR	NON-EQUITY INCENTIVE						TOTAL
		SALARY <sup>(1)</sup>	BONUS <sup>(2)</sup>	STOCK AWARDS <sup>(3)</sup>	OPTION AWARDS <sup>(4)</sup>	PLAN COMPENSATION <sup>(5)</sup>	ALL OTHER COMPENSATION <sup>(6)</sup>	
Elizabeth A. Smith Chief Executive Officer and Chairman of the Board	2017	\$1,019,231	\$	\$3,150,020	\$1,350,001	\$ 1,920,000	\$ 6,386	\$7,445,638
	2016	1,000,000		3,150,002	1,350,001		2,622	5,502,625
	2015	1,000,000		2,250,010	2,250,008	690,000	5,700	6,195,718
David J. Deno Executive Vice President, Chief Financial and Administrative Officer	2017	662,500	200,000	682,515	292,501	707,200	8,438	2,553,154
	2016	650,000		682,506	292,503		3,096	1,628,105
	2015	650,000		568,766	568,752	254,150	6,282	2,047,950
Christopher W. Brandt <sup>(7)(8)</sup> Former Executive Vice President, Chief Brand Officer	2017	570,769	400,000	490,012	210,004		819,205	2,489,990
	2016	333,846		1,362,000	1,196,000		240,230	3,132,076
Patrick C. Murtha <sup>(8)</sup> Former Executive Vice President, BBI International	2017	509,615	100,000	1,350,018	150,000		1,203,222	3,312,855
Sukhdev Singh Executive Vice President, Chief Development Officer and Franchising	2017	505,288	300,000	997,516	427,503	647,778	1,231	2,879,316

(1) The base salary of the NEOs for fiscal year 2017 was as follows: Ms. Smith \$1,000,000, Mr. Deno \$650,000, Mr. Brandt \$560,000, Mr. Murtha \$500,000, and Mr. Singh \$496,154. Because it was a 53-week fiscal year, the 2017 salary amounts reflect an extra week of pay.



- (2) In recognition of their significant responsibilities in 2017 to continue the efforts of the transformational strategy that began in 2016 relating to reinvestments in our product and labor model, cost cutting measures, revisions to our menus and improvements in our supply chain, the Compensation Committee recommended to the Board in March 2017 a payment of special cash incentives to all NEOs other than the CEO. Payments to the NEOs were made in the following amounts: Mr. Deno \$200,000, Mr. Brandt \$150,000, Mr. Murtha \$100,000, and Mr. Singh \$300,000.
- (3) The amounts reported for stock awards represent the aggregate grant date fair value of RSUs and PSUs. The aggregate grant date value of the RSUs was computed in accordance with FASB ASC Topic No. 718, based on the market value of the underlying shares on the date of grant. PSU awards pay out at a range of 0% to a maximum of 200% of their targets based on the following performance measures: 50% for threshold, 100% for target and 200% for maximum. For 2017, the PSU amounts reported represent the aggregate grant date fair value of the 2017 award based on the probable attainment of the performance measures as of the grant date (assumed to be 100% for target) in accordance with FASB ASC Topic No. 718. The aggregate grant date fair value of the 2017 PSUs assuming achievement of the maximum performance level of 200% would be: Ms. Smith \$2,700,022; Mr. Deno, \$585,005; Mr. Brandt; \$420,003; Mr. Murtha; \$300,002 and \$2,000,029 related to his off-cycle award; and Mr. Singh, \$855,007. We recorded compensation expense in 2017 for the aggregate grant date fair value of the fourth tranche of the 2014 PSUs based on probable attainment of the performance goals as of the grant date as follows: Ms. Smith \$227,979 and Mr. Deno \$75,342. In addition, we recorded compensation expense in 2017 for the third tranche of the 2015 PSUs based on probable attainment of the performance goals as of the grant date as follows: Ms. Smith \$242,367; Mr. Deno \$61,279; and Mr. Singh \$18,191. For 2016, the PSU amounts reported include the aggregate grant date fair value of the 2016 PSUs assuming achievement at Target performance level of 100%. Due to the probable attainment below threshold, there was no expense recognized in 2016 as it relates to the 2013 PSU award. For 2015, the PSU amounts reported include the aggregate grant date fair value of all four tranches (100% of the award) of the PSUs awarded at 100% (target performance). RSUs and PSUs are subject to vesting requirements. See Compensation Discussion and Analysis under the heading Long-Term Equity Incentive Awards for a description of the RSU and PSU terms. See also Note 6, Stock-based and Deferred Compensation Plans, in our consolidated financial statements in Item 8 of our Annual Report on Form 10-K for additional information regarding these awards.
- (4) The amounts for option awards represent the aggregate grant date fair value of stock option awards computed in accordance with FASB ASC Topic No. 718. The stock option awards were valued at fair value on the grant date using the Black-Scholes option pricing model. See Note 6, Stock-based and Deferred Compensation Plans, in our consolidated financial statements in Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2017 for the assumptions made to value the stock option awards. Stock Option awards are subject to vesting requirements. See Compensation Discussion and Analysis under the heading Long-Term Equity Incentive Awards for a description of the stock option terms.
- (5) Non-equity incentive plan compensation represents amounts earned under the performance-based cash incentive plans, or STIPs, established for such years. The amounts earned were based on the achievement of specified, pre-determined levels of Company-wide Adjusted Net Income, concept Adjusted EBIT and/or Total Revenue Growth over the prior year relative to a percentage of the NEOs bonus potential. See Compensation Discussion and Analysis under the heading Performance-Based Cash Incentives for a description of the STIPs for 2017.
- (6) The table set forth below titled All Other Compensation provides additional information regarding these amounts.

(7) Additional bonus cash compensation for Mr. Brandt in 2017 includes a \$250,000 payout under his offer of employment from May 2016 that was payable in 2017.

(8) Messrs. Brandt's and Murtha's last day with the Company was December 31, 2017.

**Table of Contents****All Other Compensation**

The amounts shown for All Other Compensation for 2017 include the following:

NAMED EXECUTIVE OFFICER	LIFE		TOTAL
	INSURANCE	OTHER	
Elizabeth A. Smith <sup>(1)</sup>	\$ 2,622	\$ 3,764	\$ 6,386
David J. Deno <sup>(1)</sup>	4,752	3,686	8,438
Christopher W. Brandt <sup>(2)(3)</sup>	918	818,287	819,205
Patrick C. Murtha <sup>(2)</sup>	2,322	1,200,900	1,203,222
Sukhdev Singh	1,231		1,231

(1) The amounts shown in Other reflect executive physical fees in connection with our executive medical benefits.

(2) The amounts shown in Other reflect severance payments to Messrs. Brandt and Murtha of \$815,435 and \$1,200,900, respectively, in connection with the involuntary termination of their employment without cause.

(3) The amounts shown in Other reflect relocation expense of \$2,852 for Mr. Brandt.

**Grants of Plan-Based Awards for 2017**

The following table summarizes the performance-based cash incentive awards (STIPs) and long-term stock incentive (LTI) awards made during 2017.

NAMED EXECUTIVE OFFICER	GRANT DATE	ESTIMATED FUTURE PAYOUTS UNDER NON-EQUITY INCENTIVE PLAN AWARDS <sup>(1)</sup>			ESTIMATED FUTURE PAYOUTS UNDER EQUITY INCENTIVE PLAN AWARDS <sup>(2)</sup>			ALL OTHER STOCK AWARDS UNDERLYING STOCK SECURITIES OF COMPANY		GRANT DATE FAIR VALUE
		THRESHOLD (\$)	TARGET (\$)	MAXIMUM (\$)	THRESHOLD (#)	TARGET (#)	MAXIMUM (#)	NUMBER OF AWARDS	EXERCISE PRICE (\$/Sh)	STOCK OPTION AWARDS (\$)
Elizabeth A. Smith										
Annual STIP Bonus		750,000	1,500,000	3,000,000						
Annual PSU Grant <sup>(4)</sup>	2/24/2017				41,310	82,620	165,240			1,350,011
Annual Option Grant <sup>(5)</sup>	2/24/2017							267,327	17.27	1,350,001

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Annual RSU Grant <sup>(5)</sup>	2/24/2017							112,220			1,800,009
David J. Deno											
Annual STIP Bonus		276,250	552,500	1,105,000							
Annual PSU Grant <sup>(4)</sup>	2/24/2017				8,951	17,901	35,802				292,502
Annual Option Grant <sup>(5)</sup>	2/24/2017								57,921	17.27	292,501
Annual RSU Grant <sup>(5)</sup>	2/24/2017							24,315			390,013
Christopher W. Brandt											
Annual STIP Bonus		238,000	476,000	952,000							
Annual PSU Grant <sup>(4)</sup>	2/24/2017				6,426	12,852	25,704				210,002
Annual Option Grant <sup>(5)</sup>	2/24/2017								41,585	17.27	210,004
Annual RSU Grant <sup>(5)</sup>	2/24/2017							17,457			280,010
Patrick C. Murtha											
Annual STIP Bonus		212,500	425,000	850,000							
Annual PSU Grant <sup>(4)</sup>	2/24/2017				4,590	9,180	18,360				150,001
Annual Option Grant <sup>(5)</sup>	2/24/2017								29,703	17.27	150,000
Annual RSU Grant <sup>(5)</sup>	2/24/2017							12,469			200,003
Retention PSU Grant <sup>(6)</sup>	5/1/2017				23,464	46,927	93,854				1,000,014
Sukhdev Singh											
Annual STIP Bonus		210,866	421,731	843,462							
Annual PSU Grant <sup>(4)</sup>	2/24/2017				13,082	26,163	52,326				427,503
Annual Option Grant <sup>(5)</sup>	2/24/2017								84,654	17.27	427,503
Annual RSU Grant <sup>(5)</sup>	2/24/2017							35,537			570,013

(1)

Amounts represent potential performance-based cash incentive awards under the 2017 Corporate STIP for Ms. Smith and Messrs. Deno, Brandt and Singh and 50% under the 2017 Corporate STIP and 50% under the 2017 BBI International STIP for Mr. Murtha. See Compensation Discussion & Analysis under the heading Performance-Based Cash Incentives and Summary Compensation Table under the heading Non-Equity Plan Compensation for a description of the STIPs and actual payout amounts.

- (2) Amounts represent potential shares to be issued upon settlement of the aggregate number of PSUs granted in 2017, which vest as to 100% of the shares on the third anniversary of the grant date, contingent upon such executive's continued employment by us, and the number of shares earned ranges from 0% to 200% based upon the achievement of performance targets set at the beginning of the performance period as follows: 50% for threshold, 100% for target and 200% for maximum. See Compensation Discussion & Analysis under the heading Long-Term Equity Incentive Awards for a description of the PSU terms. The executive generally forfeits any portion of the award that is unvested upon his termination date or for which the threshold performance is not achieved. See Potential Payments upon Termination or Change in Control for additional information regarding accelerated vesting on certain terminations of employment.
- (3) We valued the RSU awards, PSU awards and stock option awards in accordance with FASB ASC Topic No. 718 using the Black-Scholes pricing model for the option awards. See Note 6, Stock-based and Deferred Compensation Plans, in our consolidated financial statements in Item 8 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, for the assumptions made to value the stock option awards.

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- (4) PSU grants vest as to 100% of the shares on the third anniversary of the grant date contingent upon their continued employment. Any portion of the award that is unvested upon termination is generally forfeited. The actual number of shares that may be earned ranges from 0% to 200% based upon the achievement of performance targets for the three-year period set on the grant date, as follows: 50% for threshold, 100% for target and 200% for maximum achievement based on Adjusted EPS growth over the performance period. See Potential Payments upon Termination or Change in Control for additional information regarding accelerated vesting on certain terminations of employment.
- (5) Stock option grants and RSU grants each vest as to 25% of the shares on each anniversary of the grant date, contingent upon the individual's continued employment. Any portion of the award that is unvested upon termination is generally forfeited. See Potential Payments upon Termination or Change in Control for additional information regarding accelerated vesting on certain terminations of employment.
- (6) PSU grants vest as to 100% of the shares on the second anniversary of the grant date contingent upon individual's continued employment. Any portion of the award that is unvested upon termination is generally forfeited. The actual number of shares that may be earned ranges from 0% to 200% based upon the achievement of performance targets for the two-year period set on the grant date, as follows: 50% for threshold, 100% for target and 200% for maximum achievement based on (i) financial performance (revenue growth); (ii) operating performance (EBITDA growth); (iii) strategy development and execution to create long-term growth by expanding beyond current market, increasing number of franchise partnerships and grow franchise revenues during the performance period; and (iv) succession planning over the performance period. See Potential Payments upon Termination or Change in Control for additional information regarding accelerated vesting on certain terminations of employment.

**Outstanding Equity Awards at 2017 Year-End**

The following table summarizes outstanding stock options, unvested RSUs and PSU awards for each NEO as of December 31, 2017.

NAMED EXECUTIVE OFFICER	OPTION AWARDS			STOCK AWARDS <sup>(2)</sup>		
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	NUMBER OF SECURITIES UNDERLYING EXERCISABLE <sup>(1)</sup> OPTIONS (#)	EXERCISE PRICE PER SHARE \$	OPTION EXPIRATION DATE	EQUITY INCENTIVE PLAN AWARDS: UNEARNED SHARES, UNITS, OR RIGHTS THAT HAVE NOT VESTED	
					NUMBER OF SHARES (#) (1)	MARKET VALUE \$ (3)
Elizabeth A. Smith November 16, 2009 Tranche A, B, C, D <sup>(4)</sup>	2,562,424		6.50	11/16/2019		

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July 1, 2011 <sup>(6)</sup>	550,000		10.03	7/1/2021		
February 27, 2014 <sup>(5)(6)</sup>	133,455	44,485	25.32	2/27/2024	21,663	462,288
February 26, 2015 <sup>(5)(6)</sup>	110,294	110,295	25.36	2/26/2025	46,069	983,112
February 25, 2016 <sup>(6)(8)(9)</sup>	65,280	195,842	17.15	2/25/2026	166,678	3,556,909
February 24, 2017 <sup>(6)(8)(9)</sup>		267,327	17.27	2/24/2027	194,840	4,157,886
David J. Deno						
May 7, 2012 <sup>(7)</sup>	400,000		14.58	5/7/2022		
February 26, 2013 <sup>(5)(6)</sup>	72,551		17.40	2/26/2023		
February 27, 2014 <sup>(5)(6)</sup>	44,100	14,700	25.32	2/27/2024	7,159	152,773
February 26, 2015 <sup>(5)(6)</sup>	27,880	27,880	25.36	2/26/2025	11,646	248,526
February 25, 2016 <sup>(6)(8)(9)</sup>	14,144	42,433	17.15	2/25/2026	36,114	770,673
February 24, 2017 <sup>(6)(8)(9)</sup>		57,921	17.27	2/24/2027	42,216	900,889
Christopher W. Brandt <sup>(10)</sup>						
June 1, 2016 <sup>(6)(8)</sup>	25,000	150,000	19.25	6/1/2026	56,250	1,200,375
February 24, 2017 <sup>(6)(8)(9)</sup>		41,585	17.27	2/24/2027	30,309	646,794
Patrick C. Murtha <sup>(10)</sup>						
December 2, 2013 <sup>(6)</sup>	175,000		25.36	12/2/2023		
October 1, 2014 <sup>(8)</sup>					7,500	160,050
February 26, 2015 <sup>(5)(6)</sup>	11,029	11,030	25.36	2/26/2025	4,607	98,313
February 25, 2016 <sup>(6)(8)(9)</sup>	8,704	26,113	17.15	2/25/2026	22,225	474,282
March 1, 2016 <sup>(11)</sup>		46,729	17.80	3/1/2026		
February 24, 2017 <sup>(6)(8)(9)</sup>		29,703	17.27	2/24/2027	21,649	461,990
May 1, 2017 <sup>(12)</sup>					46,927	1,001,422
Sukhdev Singh						
February 3, 2014 <sup>(6)(8)</sup>	150,000	50,000	22.09	2/3/2024	10,000	213,400
October 1, 2014 <sup>(8)</sup>					7,500	160,050
February 26, 2015 <sup>(5)(6)</sup>	8,272	8,273	25.36	2/26/2025	3,456	73,751
June 1, 2015 <sup>(8)</sup>					15,000	320,100
February 25, 2016 <sup>(6)(8)(9)</sup>	8,269	24,807	17.15	2/25/2026	21,113	450,551
March 1, 2016 <sup>(11)</sup>		44,393	17.80	3/1/2026		
February 24, 2017 <sup>(6)(8)(9)</sup>		84,654	17.27	2/24/2027	61,700	1,316,678

(1) Unvested portions of awards are generally forfeited upon termination of employment. See footnote (5) below and Potential Payments upon Termination or Change in Control for additional information regarding accelerated vesting on certain terminations of employment.

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- (2) All RSUs and PSUs are granted under an equity incentive plan.
  
- (3) Market value is calculated by multiplying \$21.34, which was the closing price per share of our common stock on the NASDAQ Global Select Market on December 29, 2017, the last market day of our fiscal year end, by the number of shares subject to the award.
  
- (4) On November 16, 2009, we granted Ms. Smith an option to purchase an aggregate of 4,350,000 shares of our common stock under our 2007 Equity Incentive Plan in four tranches (A-D) of 1,087,500 options each. The vested stock options will remain outstanding for a period ranging from 90 days to three years in the case of a termination of Ms. Smith's employment, depending on the type of stock option and the nature of the termination, except that all stock options will be forfeited upon a termination for cause.
  
- (5) Amounts represent potential shares to be issued upon settlement of the aggregate number of PSUs granted on such date, which vest as to 25% of the shares on each anniversary of the grant date, contingent upon such executive's continued employment assuming a payout of the tranche that may vest each year at 100%, or target performance. The actual the number that may be earned each year ranges from 0% to 200% based upon the achievement of performance targets set at the beginning of each annual period is as follows: 50% for threshold, 100% for target and 200% for maximum. See Compensation Discussion & Analysis under the heading Long-Term Equity Incentive Awards for a description of the PSU terms.
  
- (6) Stock option grants vest as to 25% of the shares on each anniversary of the grant date, contingent on continued employment.
  
- (7) Stock option grants vest as to 20% of the shares on each anniversary of the grant date, contingent on continued employment.
  
- (8) RSU grants vest as to 25% of the shares on each anniversary of the grant date, contingent on continued employment.
  
- (9) PSU grants vest as to 100% of the shares on the third anniversary of the grant date, contingent on continued employment assuming a payout at target performance. The actual number that may be earned ranges from 0% to 200% based upon the achievement of performance targets for the three-year period set on the grant date, as follows: 50% for threshold, 100% for target and 200% for maximum. See Compensation Discussion & Analysis under the heading Long-Term Equity Incentive Awards for a description of the PSU terms.
  
- (10) All amounts shown were forfeited as of December 31, 2017 as a result of termination of employment.
  
- (11) Stock option grant vests as to 100% of the shares on the second anniversary of the grant date, contingent on continued employment.



(12)PSU grants vest as to 100% of the shares on the second anniversary of the grant date, contingent on continued employment assuming a payout at target performance. The actual number that may be earned ranges from 0% to 200% based upon the achievement of performance targets for the two-year period set on the grant date, as follows: 50% for threshold, 100% for target and 200% for maximum. See Compensation Discussion & Analysis under the heading Long-Term Equity Incentive Awards for a description of the PSU terms.

### Option Exercises and Stock Vested for Fiscal 2017

The following table summarizes the exercise of stock options and vesting of restricted stock held by the NEOs during fiscal 2017.

NAMED EXECUTIVE OFFICER	OPTION AWARDS		STOCK AWARDS	
	NUMBER OF SHARES ACQUIRED ON EXERCISE	VALUE REALIZED ON EXERCISE	NUMBER OF SHARES ACQUIRED ON VESTING	VALUE REALIZED ON VESTING
	(#)	(1)	(#)	(2)
Elizabeth A. Smith	750,000	\$ 10,620,743	53,544	\$ 917,295
David J. Deno			13,486	231,212
Christopher W. Brandt	25,000	30,430	18,750	375,563
Patrick C. Murtha			12,550	217,630
Sukhdev Singh			29,535	542,903

(1) Represents amount realized upon exercise of stock options, based on the difference between the market value of the shares acquired at the time of exercise and the exercise price.

(2) Represents the value realized upon vesting of RSUs, based on the market value of the shares on the vesting date. The Company withheld or netted for tax purposes the following number of shares from the distribution of shares upon vesting: Ms. Smith; 14,622, Mr. Deno; 3,877, Mr. Brandt; 5,129, Mr. Murtha; 3,702, and Mr. Singh; 8,328.

### Nonqualified Defined Contribution and Other Nonqualified Deferred Compensation Plans

We offer a Deferred Compensation Plan for our highly compensated employees who are not eligible to participate in the OSI Restaurant Partners, LLC Salaried Employees 401(k) Plan and Trust, as described in Compensation Discussion and Analysis under the heading Compensation Elements Other Benefits and Perquisites. We do not sponsor any defined benefit pension plans.

The following table summarizes contributions during 2017 to our Deferred Compensation Plan by the only NEO who participated along with aggregate earnings/losses for the year and the aggregate balance as of December 31, 2017. We did not make any contributions to the plan during 2017. NEOs are fully vested in all contributions to the plan. The amounts listed as executive contributions are included as Salary in the Summary Compensation Table. The aggregate earnings are not reflected in Other Compensation in the Summary Compensation Table.

**Table of Contents****Nonqualified Deferred Compensation**

NAMED EXECUTIVE OFFICER	AGGREGATE BALANCE	EXECUTIVE CONTRIBUTIONS		AGGREGATE WITHDRAWALS/ DISTRIBUTIONS	AGGREGATE BALANCE
	AT DECEMBER 31, 2016	IN 2017	EARNINGS IN 2017	IN 2017	AT DECEMBER 31, 2017
Sukhdev Singh	\$ 352,964	\$ 102,885	\$ 84,590		\$ 540,439

**Potential Payments Upon Termination or Change in Control**

Each of the NEOs is party to an employment agreement or offer of employment and other arrangements with us, which are summarized below, and may entitle him or her to payments or benefits upon a termination of employment and/or a change in control. See the table included under Executive Benefits and Payments Upon Separation below for the amount of compensation payable under these agreements and arrangements to the individuals serving as NEOs as of the end of fiscal 2017.

***Change in Control Plan***

The Change in Control Plan entitles executive officers and other key employees to certain severance payments and benefits in the event of a qualifying termination of employment upon or within the 24 months following certain change in control events. A qualifying termination is a termination by us for any reason other than cause, or by the employee for good reason, in each case as defined in the Change in Control Plan.

Under the Change in Control Plan, in the event of a qualifying termination within the 24 months following a change in control, the named executive officers are each entitled to receive the following benefits:

A severance payment, payable in a lump sum 60 days after the termination, equal to (a) with respect to Ms. Smith, two times the sum of her base salary and her target annual cash bonus and (b) with respect to the other named executive officers, one and one-half times the sum of base salary and target annual cash bonus

Accelerated vesting of all outstanding equity awards

Continued eligibility to participate in group health benefits for 18 months following the termination

Outplacement services for six months following the termination

Certain other accrued benefits

The severance payments and other benefits described above will be reduced by the amount of any similar payments and benefits under any employment agreement or other arrangement with us and are subject to the employee's compliance with non-competition and other restrictive covenants and the other terms and conditions of the Change in

Control Plan.

***Rights and Potential Payments Upon Termination or Change in Control: Ms. Smith***

In September 2012, we entered into an amended and restated employment agreement with Ms. Smith for a five-year term that automatically renews for successive one-year terms unless either party elects not to renew by giving written notice to the other party not less than 60 days prior to the start of any renewal term. The employment agreement is also subject to earlier termination under certain circumstances described below.

Ms. Smith's employment may be terminated as follows:

Upon her death or disability (as defined in the agreement)

By us for Cause. Cause is defined to include: (i) willful failure to perform, or gross negligence in the performance of, her duties and responsibilities to us or our affiliates (other than any such failure from incapacity due to physical or mental illness), subject to notice and cure periods; (ii) indictment or conviction (or plea of guilty or nolo contendere) of a felony or other crime involving moral turpitude; (iii) engaging in illegal misconduct or gross misconduct that is intentionally harmful to us or our affiliates; or (iv) any material and knowing violation by her of any covenant or restriction contained in her employment agreement or any other agreement entered into with us or our affiliates

By us other than for Cause

By Ms. Smith for Good Reason. Good Reason is defined to include: (i) a material diminution in the nature or scope of her duties, authority or responsibilities, including, without limitation, loss of membership on our Board of Directors (with certain listed exceptions); (ii) a reduction of her annual base salary or annual target cash bonus; (iii) requiring her to be based at a

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location in excess of 50 miles from the location of our principal executive offices in Tampa, Florida; or (iv) a material breach by us of our obligations under her employment agreement

By Ms. Smith other than for Good Reason

Ms. Smith will be entitled to receive severance benefits if her employment is terminated by us other than for Cause or if she terminates employment for Good Reason. If her employment is terminated under these circumstances, she will be entitled to receive severance equal to two times the sum of her base salary at the rate in effect on the date of termination plus her target annual cash bonus for the year of termination, payable in 24 equal monthly installments from the effective date of such termination.

In the event Ms. Smith's employment is terminated due to her death or disability, she will receive base salary or annual bonus for the preceding fiscal year earned but not paid as of the date of her employment termination, any accrued and payable travel or business expenses and benefits under the employee benefit plus a pro rata portion of her target bonus for the year of termination.

A change in control of the Company does not trigger any severance payments to her under the employment agreement. However, in the event of a qualifying termination within the 24 months following a change in control, Ms. Smith would be entitled to receive the benefits described above under Change in Control Plan.

***Rights and Potential Payments Upon Termination or Change in Control: Mr. Deno***

On May 7, 2012, Mr. Deno entered into an employment agreement with us for a five-year term that is automatically renewed for successive renewal terms of one year unless either party elects not to renew by giving written notice to the other party not less than 60 days prior to the start of any renewal term. The employment agreement is also subject to earlier termination under certain circumstances described below.

Mr. Deno's employment may be terminated as follows:

Upon his death or disability (as defined in the agreement)

By us for Cause. Cause is defined to include: (i) failure to perform the duties required of him in a manner satisfactory to us, in our sole discretion; (ii) any dishonesty in his dealing with us or our affiliates, the commission of fraud by him, negligence in the performance of his duties, insubordination, willful misconduct, or his indictment, charge or conviction (or plea of guilty or nolo contendere) of any felony or any other crime involving dishonesty or moral turpitude; (iii) any violation of any covenant or restriction contained in specified sections of his employment agreement; or (iv) any violation of any of our or our affiliates' material published policies

By us other than for Cause

By Mr. Deno for Good Reason. Good Reason is defined to include: (i) the assignment to him of any duties inconsistent with his position (including status, offices, titles, and reporting requirements), authority, duties or

responsibilities as Executive Vice President, Chief Financial and Administrative Officer, any diminution in his position, authority, duties or responsibilities (excluding isolated, insubstantial and inadvertent action not taken in bad faith); (ii) a reduction of his base salary or benefits, as in effect on the date of his employment agreement, unless a similar reduction is made in salary and benefits of all of our other executive officers; or (iii) requiring him to be based at a location in excess of 50 miles from the location of our principal executive offices in Tampa, Florida

For all purposes of his agreement, termination for Cause shall be deemed to have occurred on the date of the executive's resignation when, because of existing facts and circumstances, subsequent termination for Cause can be reasonably foreseen.

Mr. Deno's employment agreement provides that he will receive severance benefits in the event of a termination of employment by us without Cause or by him with Good Reason. Under these circumstances, he will be entitled to receive an amount equal to the sum of the base salary then in effect payable bi-weekly for one year.

A change in control does not trigger any severance payments to Mr. Deno under his employment agreement. However, in the event of a qualifying termination within the 24 months following a change in control, Mr. Deno would be entitled to receive the benefits described above under Change in Control Plan.

***Separation Agreements: Messrs. Brandt and Murtha***

The Company entered into a separation agreement with each of Messrs. Brandt and Murtha, effective December 31, 2017. The separation agreements set forth our obligation to make payments, including one-time lump sum severance payments, to Messrs. Brandt and Murtha totaling \$815,435 and \$1,200,900, respectively. These additional payments were agreed to in exchange for non-solicitation, non-disparagement and cooperation covenants in favor of the Company, Messrs. Brandt's and Murtha's waiver of the notice provisions of their offer of employment agreement, and their execution of a general release of claims against the Company.

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***Equity Awards***

As a general matter, unless otherwise provided in an individual's award agreement or other agreement, and depending on the reason for termination, upon a termination of employment all unvested equity awards will terminate and vested stock options must be exercised within certain limited time periods after the date of termination. If the individual's employment is terminated for cause (as defined in the award or other applicable agreement), all stock options, whether vested or unvested, will terminate immediately. If the individual's termination is due to death or disability, all RSUs that are not vested will become immediately vested in full upon such termination and a pro rata portion (based on the portion of the applicable performance period that passed prior to termination of the individual's employment) of the target number of PSUs will immediately vest and become payable in shares of common stock upon such termination.

Awards under the 2012 Equity Plan, if unvested, will forfeit upon retirement. Under the 2016 Equity Plan, if the NEO retires on or after age 60 with five years of service with the Company or an affiliate (Retirement) prior to the vesting or forfeiture of the RSUs, then the number of RSUs that vest shall be determined as of the date of the Retirement on a pro rata basis, determined based on the number of full months of employment completed from the date of grant to the date of the Retirement divided by the number of full months of the original vesting period. If the NEO retires prior to the vesting or forfeiture of the option to purchase shares of our common stock, the NEO may exercise the option at any time within 12 months following the date of Retirement (but in no event later than 10 years after the date of grant).

The Compensation Committee may provide for accelerated vesting of an award upon, or as a result of events following, a change of control. This may be done in the award agreement or in connection with the change of control. In the event of a change of control, the Compensation Committee may also cause an award to be canceled in exchange for a cash payment to the participant or cause an award to be assumed by a successor corporation.

Our forms of award agreements under the 2012 and 2016 Equity Plans provide as follows:

Restricted stock and restricted stock units awards to our directors become fully vested upon a change of control

Restricted stock awards for our employees and consultants provide that upon a change of control (a) restricted stock that remains outstanding or is exchanged or converted into securities of the acquiring or successor entity will continue to vest in accordance with the terms set forth in the award agreement and (b) if the restricted stock will be canceled in exchange for cash consideration, (x) in the case of awards held by our executive officers at the time of such change of control, the restricted stock will instead be converted into a right to receive such cash consideration upon satisfaction of the vesting and other terms and conditions of the award agreement in effect immediately prior to the change of control and (y) in the case of other award recipients, the award will fully vest and be exchanged for the cash consideration at the time of the change of control

PSU awards provide that if the award recipient's employment or other service status with us terminates, the award will terminate as to any units that are unvested at the time of such termination, unless (a) such termination is due to death or disability, in which case a pro rata portion of the award shall vest based on the portion of the performance period for which service was provided, or (b) the termination occurs before the vesting date but after the end of the performance period and is other than for cause (as defined in the

agreement), in which case the applicable number of units will vest for that performance period as if such termination had not occurred

In addition, as described above under **Change in Control Plan**, in the event of a qualifying termination within the 24 months following a change in control, each of our named executive officers will be entitled to accelerated vesting of all outstanding equity awards.

### ***Stock Options: Ms. Smith***

Pursuant to the terms of Ms. Smith's option agreement dated November 16, 2009, the vested stock options will remain outstanding for a period ranging from 90 days to three years in the case of a termination of Ms. Smith's employment, depending on the type of option and the nature of the termination, except that all options will be forfeited on a termination for Cause.

### ***Restrictive Covenants***

Ms. Smith and Mr. Deno are subject to certain restrictive covenants under her or his employment agreement. These include covenants covering (i) noncompetition and (ii) nondisclosure, nonsolicitation and nonpiracy. Based on the terms of their agreements, Ms. Smith and Mr. Deno have agreed to the restrictive covenants in (i) and (ii) during employment and for 24 months following a termination of employment for any reason. Ms. Smith's and Mr. Deno's continued compliance with these restrictive covenants are conditions to our obligation to pay the severance amounts due under her or his employment agreement or offer of employment.

### ***Executive Benefits and Payments Upon Separation***

The table below reflects the amount of compensation payable under the arrangements described above to the individuals serving as NEOs following a termination of employment (i) by us without Cause or by the executive for good reason without a change in control,

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(ii) by us without Cause or by the executive for good reason, following a change in control assuming that such termination constitutes a qualifying termination under the Change in Control Plan, (iii) by the executive voluntarily, (iv) as a result of disability or (v) as a result of death, in each case, assuming that such termination of employment occurred on December 31, 2017. In the case of Messrs. Brandt and Murtha, whose employment terminated on December 31, 2017, they received the compensation described above under Separation Agreements: Messrs. Brandt and Murtha.

No payments or benefits are due to the NEOs following a termination of employment for Cause. The table assumes that the change in control transaction resulted in per share consideration of \$21.34, which was the closing price per share of our common stock on the NASDAQ Global Select Market on December 29, 2017, the last market day of our fiscal year. The actual amounts to be paid upon a termination of employment or a change in control can only be determined at the time of such executive's separation from us, or upon the occurrence of a change in control (if any).

NAMED EXECUTIVE OFFICER	EXECUTIVE PAYMENTS AND BENEFITS UPON SEPARATION <sup>(1)</sup>	INVOLUNTARY TERMINATION WITHOUT CAUSE OR TERMINATION BY EXECUTIVE FOR GOOD REASON				
		IN CONTROL CHANGE	IN CONTROL CHANGE	TERMINATION WITHOUT CAUSE	DISABILITY	DEATH
		(\$)	(\$)	(\$)	(\$)	(\$)
Elizabeth A. Smith	Severance	3,500,000	5,000,000			
	Equity Awards <sup>(2)</sup>		11,068,793		5,652,746	5,652,746
	Health and Welfare Benefits		23,147			
	<b>Total</b>	<b>3,500,000</b>	<b>16,091,940</b>		<b>5,652,746</b>	<b>5,652,746</b>
David J. Deno	Severance	650,000	1,803,750			
	Equity Awards <sup>(2)</sup>		2,486,394		1,289,522	1,289,522
	Health and Welfare Benefits		16,916			
	<b>Total</b>	<b>650,000</b>	<b>4,307,060</b>		<b>1,289,522</b>	<b>1,289,522</b>
Christopher W. Brandt	Severance <sup>(3)</sup>	800,000				
	Equity Awards <sup>(2)</sup>					
	Health and Welfare Benefits	15,435				



	<b>Total</b>	<b>815,435</b>		
Patrick C. Murtha	Severance <sup>(3)</sup>	1,200,000		
	Equity Awards <sup>(2)</sup>			
	Health and Welfare Benefits	900		
	<b>Total</b>	<b>1,200,900</b>		
Sukhdev Singh	Severance <sup>(4)</sup>	1,387,500		
	Equity Awards <sup>(2)</sup>	3,140,165	1,899,020	1,899,020
	Health and Welfare Benefits	14,639		
	<b>Total</b>	<b>4,542,304</b>	<b>1,899,020</b>	<b>1,899,020</b>

(1) Amounts in the table do not include amounts for accrued but unpaid base salary, annual bonus or other expenses.

(2) Amounts represent intrinsic value of unvested in-the-money stock options since the fair market value of a share of our common stock, as of December 29, 2017, was greater than the exercise price of certain stock options held by the named executive officers. Certain stock option grants were out-of-the-money as of the fiscal year end and are included above with a value of \$0. Amounts exclude intrinsic value of vested in-the-money stock options. If termination is due to Death or Disability, then all RSUs that are not vested shall become immediately vested in full upon such termination and a pro rata portion (based on the portion of the Performance Period that passed prior to termination of Participant's Continuous Service) of the Target Number of Performance Awards will immediately vest and become payable in Shares upon such termination. The dollar amounts are determined by multiplying the number of shares subject to the accelerated RSUs and Performance Awards by \$21.34, the closing price of the Company's common stock on December 29, 2017.

(3) Amounts as provided in the separation agreement dated December 31, 2017 for each of Messrs. Brandt and Murtha.

(4) Severance for Mr. Singh (base salary in effect at termination) is payable only upon termination of employment by us without cause (as defined in his offer of employment or employment agreement).

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**CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS**

**Review, Approval or Ratification of Transactions with Related Persons**

Our Board of Directors has adopted a written Code of Business Conduct and Ethics and a Related Party Transactions Policy, which supplements the Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics applies to our directors, officers, and employees, and the Related Party Policy applies to our executive officers. These policies require disclosure of the material terms of any applicable related person transaction, including the approximate dollar value of the amount involved in the transaction, and all the material facts as to the related person's direct or indirect interest in, or relationship to, the related person transaction. The policies require that all related person transactions must be reported to the Chief Legal Officer and are subject to the approval or ratification by the Audit Committee. The Audit Committee may approve or ratify the transaction if it determines that the transaction is in the best interests of the Company and its stockholders.

The transactions below were reviewed under our Code of Business Conduct and Ethics and also reviewed under the Related Party Transactions Policy subsequent to July 22, 2015, which is the date of its adoption.

**Related Party Transactions**

***Registration Rights Agreement***

On April 29, 2014, we entered into a registration rights agreement with Chris T. Sullivan and certain family members of Chris T. Sullivan (collectively, the "Sullivan Parties"), Bain Capital (OSI) IX, L.P., its related funds (collectively, the "Bain Funds"), Elizabeth A. Smith, our Chairman and CEO, and certain other parties (the "Registration Rights Agreement"). The Registration Rights Agreement provides the parties with certain demand and "piggyback" registration rights. We are required to bear the registration expenses, other than underwriting discounts and commissions and transfer taxes, associated with any registration of shares pursuant to the Registration Rights Agreement. The Registration Rights Agreement also contains customary terms and conditions related to various matters, including registration procedures, lock-up agreements and permitted transfers and indemnification and contribution.

***Lease Payments***

In fiscal 2017, MVP LRS, LLC ("MVP"), an entity in which Chris T. Sullivan (one of our founders and a former director) and Robert D. Basham (one of our founders who is known to us to beneficially own more than 5% of our common stock), are each a partner, paid us \$647,149 in lease payments. These leases were originally for two restaurants in the Lee Roy Selmon's concept, which was purchased from us in 2008. In 2014, MVP converted one of the Lee Roy Selmon's restaurants to a Glory Days restaurant and we entered into a new lease with MVP for the Glory Days restaurant. We also guarantee lease payments by MVP under two leases with third parties. The base rent payments made by MVP under these two leases totaled \$174,076 for 2017, and the amount is consistent with the amounts for prior years of \$166,171 and \$154,358 for 2016 and 2015, respectively. As guarantor, we are also contingently liable for percentage rent, real estate taxes, insurance expense and certain other operating expense payments under these two leases.

***Lease Termination and Surrender Agreement***

On August 28, 2017, we entered into a Lease Termination and Surrender Agreement with MVP for one of the restaurant properties that we lease to MVP. The payment to MVP for the buyout of the lease is \$850,000, payable within five business days after the termination of the lease. The termination date will be no earlier than April 3, 2018

and no later than November 29, 2018.

***Mobile Application Services***

In 2015, we evaluated a point of sale integration platform provided by Omnivore Technologies, Inc. f/k/a Positronics Technologies, Inc. ( Omnivore ), which is owned, in part, by Chris T. Sullivan, one of our founders and a former director, or by entities he owns or controls. After this evaluation, we entered into an engagement with Omnivore for services related to the development of our connected customer mobile application. In fiscal 2017, we paid Omnivore \$272,174 for such services.

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**AUDIT COMMITTEE REPORT**

The Audit Committee is composed solely of independent directors meeting the requirements of applicable SEC and NASDAQ rules. The Audit Committee has reviewed and discussed with the Company's management and PricewaterhouseCoopers LLP the audited consolidated financial statements of Bloomin' Brands contained in our Annual Report on Form 10-K for the 2017 fiscal year. The Audit Committee has also discussed with PricewaterhouseCoopers LLP the matters required to be discussed by Auditing Standard No. 1301, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board ( PCAOB ) in Rule 3200T.

The Audit Committee has received the written disclosures and the letter from PricewaterhouseCoopers LLP required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with PricewaterhouseCoopers LLP its independence from Bloomin' Brands.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in Bloomin' Brands, Inc.'s Annual Report on Form 10-K for its 2017 fiscal year for filing with the SEC.

**Submitted by the Audit Committee**

John J. Mahoney, *Chairman*

James R. Craigie

Tara Walpert Levy

**STOCKHOLDER PROPOSALS FOR 2019 ANNUAL MEETING OF STOCKHOLDERS**

Stockholders may submit proposals for inclusion in our proxy materials in accordance with Rule 14a-8 promulgated under the Exchange Act. For such proposals to be included in our proxy materials relating to our 2019 annual meeting of stockholders, all applicable requirements of Rule 14a-8 must be satisfied and such proposals must be received by us no later than November 14, 2018. Such proposals should be delivered to Bloomin' Brands, Inc., Attn: Corporate Secretary, 2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607 (and we encourage you to send a copy via email to [CorporateSecretary@bloominbrands.com](mailto:CorporateSecretary@bloominbrands.com)).

Stockholders who intend to submit nominations to the Board of Directors or present other proposals for consideration at our 2019 annual meeting (other than proposals submitted in accordance with Rule 14a-8 for inclusion in our proxy materials) must comply with all provisions of our bylaws with respect to such nominations and proposals and provide timely written notice thereof. To be timely for our 2019 annual meeting, notice must be delivered to our Secretary at our principal executive offices no earlier than December 25, 2018, and no later than January 24, 2019. However, in the event that our 2019 annual meeting is to be held on a date that is not within 30 calendar days before or after April 24, 2019, to be timely, notice must be so delivered not later than the tenth calendar day following the date on which public announcement of the date of the 2019 annual meeting is first made.

**PROXY SOLICITATION AND COSTS**

We will bear the entire cost of this solicitation of proxies, including the preparation, assembly, printing, and mailing of the Notice of Internet Availability of Proxy Materials, this proxy statement, the proxy and any additional

solicitation material that we may provide to stockholders. Copies of solicitation material will be provided to brokerage firms, fiduciaries, custodians and other nominees holding shares in their names that are beneficially owned by others so that they may forward the solicitation material to such beneficial owners. Further, the original solicitation of proxies by mail may be supplemented by solicitation by telephone and other means by our directors, officers and employees. No additional compensation will be paid to these individuals for any such services.

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### **STOCKHOLDERS SHARING THE SAME ADDRESS**

The SEC has adopted rules that permit companies and intermediaries (such as brokers) to implement a delivery procedure called householding. Under this procedure, multiple stockholders who reside at the same address may receive a single copy of our annual report and proxy materials, including the Notice of Internet Availability of Proxy Materials, unless the affected stockholder has provided contrary instructions. This procedure reduces printing costs and postage fees.

A number of brokers with account holders who beneficially own our common stock will be householding our annual report and proxy materials, including the Notice of Internet Availability of Proxy Materials. A single Notice of Internet Availability of Proxy Materials and, if applicable, a single set of annual report and other proxy materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. Stockholders may revoke their consent at any time by contacting Broadridge Financial Solutions, either by calling toll-free (800) 542-1061, or by writing to Broadridge Financial Solutions, Householdings Department, 51 Mercedes Way, Edgewood, New York, 11717.

Upon written or oral request, Bloomin Brands will promptly deliver a separate copy of the Notice of Internet Availability of Proxy Materials and, if applicable, a separate set of our annual report and proxy materials to any beneficial owner at a shared address to which a single copy of any of those documents was delivered. To receive a separate copy of the Notice of Internet Availability of Proxy Materials and, if applicable, a separate set of our annual report and proxy materials, you may write or call the Bloomin Brands Investor Relations Department at Bloomin Brands, Inc., 2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607, Attention: Investor Relations, telephone (813) 830-5311.

Any stockholders who share the same address and currently receive multiple copies of our Notice of Internet Availability of Proxy Materials or annual report and other proxy materials, who wish to receive only one copy in the future, are asked to contact Computershare (if a registered holder) or their bank, broker or other nominee (if a beneficial holder) to request information about householding.

### **FORM 10-K**

**We will mail without charge, upon written request, a copy of the Bloomin Brands Annual Report on Form 10-K for the fiscal year ended December 31, 2017, including the consolidated financial statements, schedules and list of exhibits, and any particular exhibit specifically requested. Requests should be sent to: Bloomin Brands Investor Relations Department at Bloomin Brands, Inc., 2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607, Attention: Investor Relations, telephone (813) 830-5311. The Annual Report on Form 10-K is also available in the Investors section at [www.bloominbrands.com](http://www.bloominbrands.com).**

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**OTHER MATTERS**

The Board of Directors does not know of any other matters to be presented for stockholder action at the annual meeting. However, if other matters do properly come before the annual meeting or any adjournments or postponements thereof, the Board of Directors intends that the persons named in the proxies will vote upon such matter in accordance with their best judgment.

BY ORDER OF THE BOARD OF  
DIRECTORS

Kelly Lefferts  
*Secretary*

Dated: March 8, 2018

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