



DARLING
INGREDIENTS

ESG REPORT
SEPTEMBER 2022

RENEW. ■
REPURPOSE. ■
REINVENT THE FUTURE. ■

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LETTER FROM
RANDALL C. STUEWE
CHAIRMAN & CHIEF EXECUTIVE OFFICER



Dear Stakeholders,

I often say, “We were green before green was cool” because I think it sums up our core business. For 140 years, Darling Ingredients has repurposed animal and food byproducts into specialty food and feed ingredients to support our growing population, and converted waste fats and oils into low-carbon fuel to power a growing world.

Darling Ingredients has been at the forefront of the circular economy, and we continue to look for ways to improve the environmental footprint of our business. This starts with our recent commitment to setting science-based targets in line with our long-term goal of achieving net-zero emissions from our operations by 2050. In 2021, we conducted a gap assessment against the framework established by the Task Force for Climate-Related Financial Disclosures (TCFD) and prioritized activities to close identified gaps in the next few years.

Darling Ingredients continues to accelerate the world’s desire for industrial decarbonization by increasing renewable diesel production at Diamond Green Diesel (DGD), our joint venture with Valero. DGD is on track to meet its goal of increasing production by 150%, and we anticipate realizing even greater production gains as our third DGD facility comes online before year-end 2022. And in Europe, earlier in 2022, we added Group Op de Beeck, a leading organic waste and industrial byproduct processing company in Belgium, to our portfolio, strengthening our European sustainable energy production.

FASA Group and Valley Proteins joined the Darling Ingredients family through acquisition in mid-2022. We look forward to their contributions to our sustainability goals, as these additions present new and exciting opportunities for our business in the coming years.

We continue to look for ways to advance diversity and inclusion at all levels of our organization. We’ve made progress in increasing representation in our leadership and were recognized by the Women’s Forum of New York as a corporate champion for promoting women’s leadership in the boardroom for the third consecutive year. We also installed a formal Human Rights Policy in 2021 and are increasing engagement with underrepresented groups in our recruitment, hiring and people-development strategies.

I believe that transparency—especially when it comes to environment, social and governance—drives long-term value creation and is simply the right thing to do. This is why the Darling Ingredients Board of Directors established a new, stand-alone environmental, social and governance (ESG) committee to oversee these areas of our performance and further embed ESG in our business strategy and processes.

Each of our named officers, including me, have operational and personal goals tied to short- and long-term objectives within the company, including our ESG goals. This has pushed our team to strategically further bring the work of advancing sustainability to the heart of our business.

There is exciting work going on at Darling Ingredients, as we work to continue to sustainably feed and fuel our growing society. I hope you join us on the journey.

A handwritten signature in black ink, appearing to read "Randall C. Stuewe". The signature is fluid and cursive, with a large, stylized initial "R".

RANDALL C. STUEWE
Chairman and CEO

Where others see waste, we see opportunity. Darling Ingredients is the world's premier company repurposing animal and food byproducts into specialty food and feed ingredients. We're also a leader in decarbonization solutions.

WHO WE ARE

About 50% of the animal makes it to the dinner plate. The other 50% requires innovative, sustainable solutions to avoid landfills or incineration. That's where Darling Ingredients comes in. Darling Ingredients (NYSE: DAR) is the largest publicly traded company that takes the other 50% of the animal and turns it into valuable ingredients. We create specialty food ingredients that are used to make gelatin capsules for the pills we take, thickeners for the foods we eat, and collagen peptides for protein shakes that help our hair, skin, nails and ligaments. We sell ingredients to companies that make feed for pets and livestock like swine, cattle, poultry and fish. And if it can't be fed to a human or an animal, we take those materials and make green energy.

Creating low-carbon fuel from waste fats and oils

Through a 50/50 joint venture with Valero Energy Corporation, we create renewable diesel made from waste fats and oils. Produced at Diamond Green Diesel (DGD), this fuel reduces greenhouse gas emissions up to 85% compared to traditional fossil fuels. From an initial production capacity in 2013 of 160 million gallons a year, we expanded our capacity to produce 372 million gallons of renewable diesel fuel at DGD in 2021.

While a range of ingredients can be used to boost calories in animal feed, only a limited number of commodities can be used for renewable diesel. Waste fats and oils and used cooking oil top that list for two main reasons: (1) they're waste products, not food crop products, and (2) fuels made from these fats and oils have lower carbon intensity than fuels made from vegetable oils. It's a win-win for our customers, our suppliers and a more sustainable world.

Turning food waste into energy in Europe

With four facilities in the Netherlands and Belgium, we convert waste from slaughterhouses, food service companies and supermarkets into green energy. Early in 2022, we acquired Group Op de Beeck, a leading organic waste and industrial byproduct processing company in Belgium. This acquisition helps grow our presence in European sustainable energy production—accessing new markets, diversifying our sustainable energy portfolio and increasing our contributions to society through renewable energy. We expect the global demand for lower-carbon fuels will grow significantly as many countries and companies develop aggressive greenhouse gas (GHG) emission reduction targets, and we are well positioned to be part of the solution.

Pursuing circularity in all that we do

We are committed to diversifying and pursuing additional revenue generation streams through our circular business model. And we are getting recognized for our leadership. In 2021, Darling Ingredients was invited to speak about our circular business model and sustainability commitments at several notable conferences, including the BMO Global Farm to Market Virtual Conference, BMO Growth and ESG Conference, and the 33rd Annual Roth Conference for small-cap companies.

ESG RECOGNITION



Darling Ingredients was recognized by Sustainalytics as an ESG Industry Top-Rated company (January 2022)



Darling Ingredients was selected for Investor's Business Daily's (IBD) 100 Best ESG Companies (November 2021)



Darling Ingredients was named one of the 50 Sustainability and Climate Leaders by Bloomberg and TBD Media Group (April 2021)

This [video](#) highlights why Darling Ingredients is recognized as a sustainability leader.

CIRCULAR BY NATURE

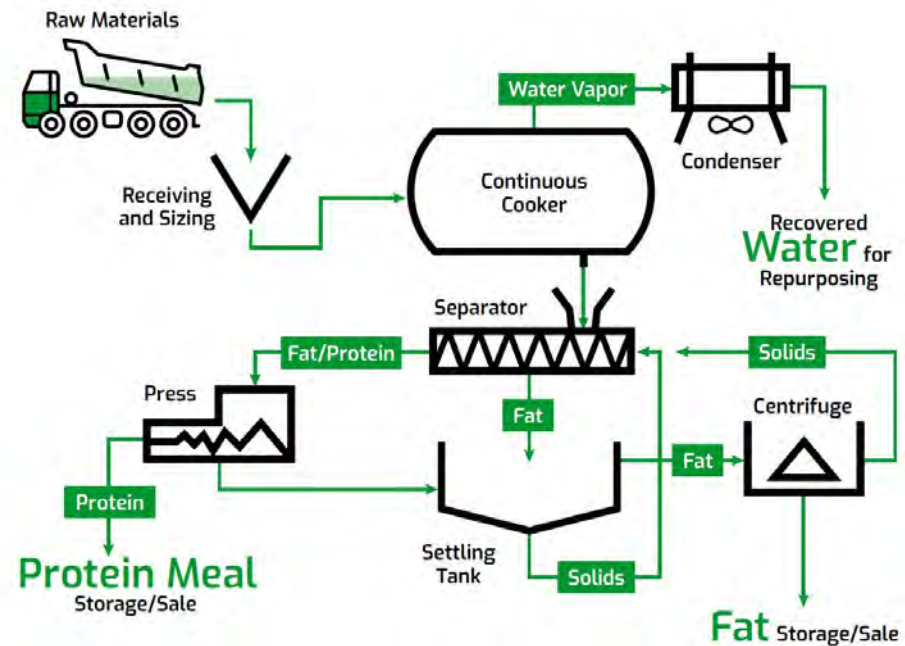
Global population growth, climate change, increased life expectancy and socio-economic inequalities have put pressure on natural resources that provide food, feed and fuel and support general well-being. All public, private and non-profit sector organizations must increase efforts and find viable ways to meet current needs without jeopardizing the well-being of future generations. We are committed to doing our part and increasing the scale of our impact through our core business.

How is our core business model circular? We play a crucial role in the agri-food industry by collecting and repurposing animal-based byproducts and other natural materials that would otherwise be sent to landfill. In 2021, Darling Ingredients converted ~11 million metric tons of low-value raw materials into unique and valuable ingredients that help sustain life. Through innovation and circular thinking, Darling Ingredients connects global supply chains by prioritizing regenerative production, favoring reuse practices, reducing resource inputs and ensuring resource recovery.

This [video](#) provides additional information on our circular business model.

OUR CIRCULAR BUSINESS MODEL RENDERING PROCESS

This figure provides an overview of the rendering process and illustrates the production of valuable nutrients from traditional food waste streams. From the collected raw material, fats and proteins are recovered and sold as ingredients for feed, food, fuel and fertilizer. The water removed from the raw material is captured, treated and either reused in the process, used for crop irrigation, or discharged to municipal wastewater treatment or surface water. Negligible volumes of waste that require disposal are generated at any point in the process.



Applying circular thinking to sustainable product research and development

Darling Ingredients works with partners and customers across industries to identify waste streams with materials that can be repurposed into products that help address the needs of our growing population, sustainably. In 2021, these activities included research and development (R&D) around:

- **Insect proteins.** Our EnviroFlight R&D and Corporate Center in Apex, North Carolina expands our capacity for research using black soldier fly larvae (BSFL) as an alternative protein for animal nutrition, cosmetics and other products.
- **Sustainable meat protein products.** Darling Ingredients' Sonac Brand opened the Sonac Product and Application Research Center (SPARC) in Vuren, Netherlands, as an incubator where we work directly with customers to develop new, sustainable and commercially viable meat protein products.
- **Marine collagen solutions.** Darling Ingredients' Rousselot brand introduced Peptan® Marine, a new collagen-based product sourced from 100% wild-caught marine white fish and certified by the Marine Stewardship Council (MSC). Produced at Rousselot's state-of-the-art facilities in France, Peptan® Marine can help manufacturers deliver high-quality, safe marine collagen solutions that meet consumers' sustainable purchasing preferences.
- **3D modeling for medical testing.** Darling Ingredients' Rousselot biomedical division joined the European ENLIGHT project to develop a 3D living model of pancreatic tissue. Created via bioprinter, this living model of the pancreas will enable better testing of diabetes medication, eliminate the need for animal testing, accelerate drug discovery for pharmaceutical industries and reduce the burden on individual patients to experiment with different drugs.

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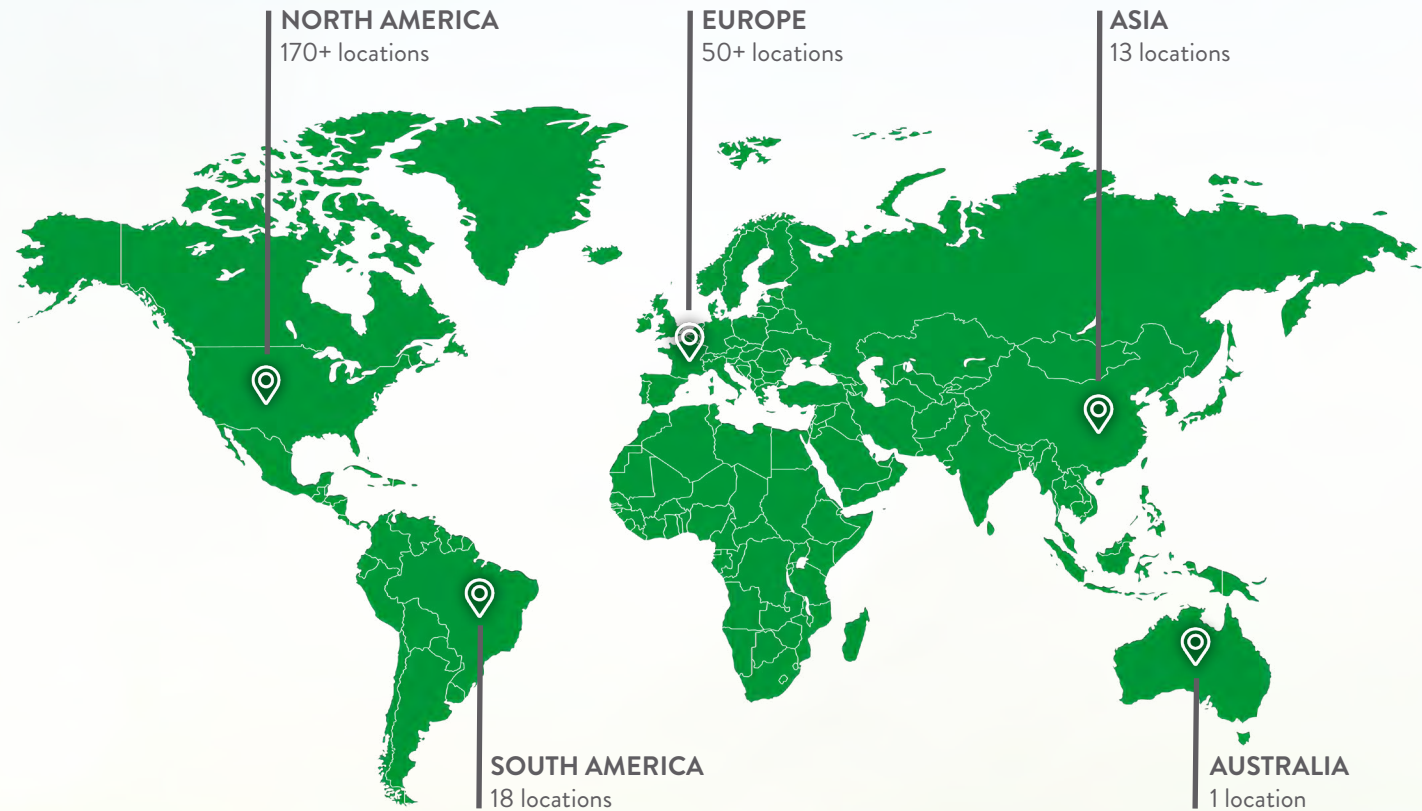
Balancing use of farm-raised fish collagen and fully traceable wild-caught fish collagen can help ensure the sustainability of our oceans. By leveraging our world-class expertise and end-to-end support, brands can sustainably upgrade their offering and bring industry-leading products with the highest environmental, ethical and quality standards to market quickly.

— Dr. Sara De Pelsmaeker,
Global Business Development,
Rousselot Health & Nutrition

”

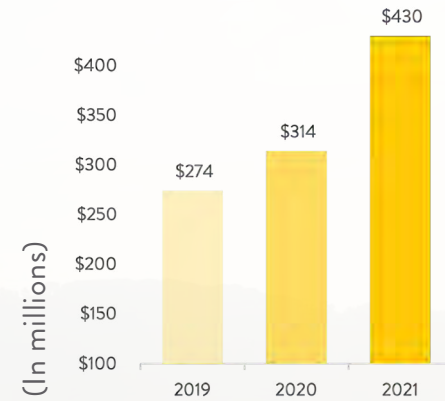
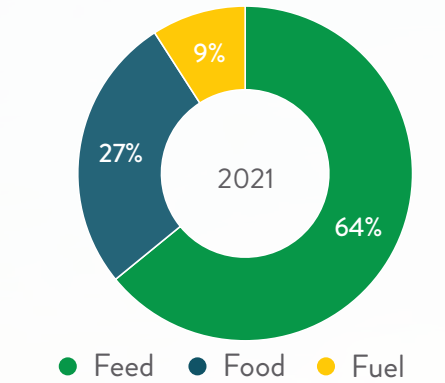
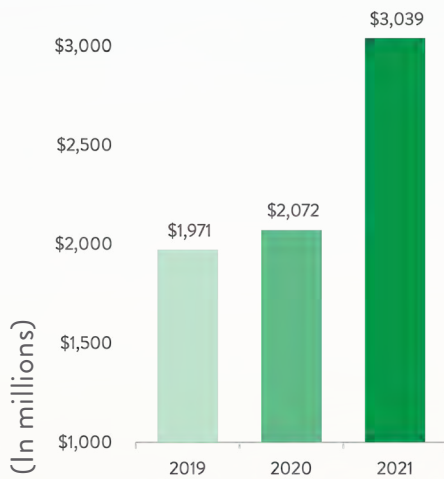
DARLING INGREDIENTS AT A GLANCE

Our [core values](#) of integrity, transparency and entrepreneurship lay the foundation for seeking and creating value across the globe.



TOTAL NET SALES (USD)

\$4.74 Billion



*Does not include 50/50 JV Diamond Green Diesel net sales.

SUSTAINABILITY: COMMITMENT AND FOCUS

HOW WE MANAGE ESG

Darling Ingredients' commitment to environmental, social and governance (ESG) issues starts at the top with our Board of Directors and senior leadership and is embedded throughout the organization. In November 2021, the Board established a new, stand-alone ESG Committee with accountability and oversight for our policies, strategies and initiatives. The ESG Committee provides periodic briefings to the Board on ESG-related risks and public issues of significance to our company and stakeholders.

Darling Ingredients' CEO and Executive Leadership Team report to the Board of Directors and are responsible for the day-to-day business, including all aspects of ESG. Our VP of Investor Relations, Sustainability and Global

Communications leads the Global Sustainability Committee (GSC), which oversees our sustainability targets, performance and reporting, including reporting on performance to the Board, ESG committee and other committees as needed, and approving our annual ESG Report for public release. GSC members are senior-level employees representing a range of business functions.

Our ESG program is operationalized through cross-functional teams spanning investor relations, human resources, environmental affairs, health and safety, community relations, product quality, engineering, regulatory affairs, information security and ethics and compliance. They work to embed ESG in our company's policies and drive progress. These teams report progress

and updates to the Board on a quarterly or annual basis. In 2021, each of our named executive officers also had strategic, operational and personal goals tied to short- and long-term strategic objectives within the company—including growing the core business, developing an implementation strategy to achieve stated ESG goals and implementing safety program modifications.

ESG GOVERNANCE STRUCTURE



In 2021, Darling Ingredients established a stand-alone ESG committee at the Board level with accountability and oversight for progressing ESG policies, strategies and initiatives.

ESG PILLARS: FROM STRATEGY TO ACTION

We formalized our strategy and commitments for ESG and Corporate Social Responsibility (CSR) into three pillars: Cleaner Air & Water, Better Communities & Workplaces and Safer Food & Feed. We continue to monitor and assess emerging issues and trends, and revisit focus areas within each of these pillars. We have set strategic goals for Cleaner Air & Water and are looking to develop additional goals to increase our impact in the other pillars. The table below shows how our priority ESG topics align with the three pillars of our ESG strategy.

CLEANER AIR & WATER

Respecting and utilizing natural resources to positively contribute to tackling today's climate challenges

BETTER COMMUNITIES & WORKPLACES

Contributing to an economically and socially prosperous society

SAFER FOOD & FEED

Delivering valuable ingredients and circular solutions for the agri-food industry

ENVIRONMENTAL

GHG emissions
Energy
Waste & toxicity
Water

SOCIAL

Community engagement & investment
Diversity & inclusion
Employee attraction & retention
Employee health & safety

GOVERNANCE

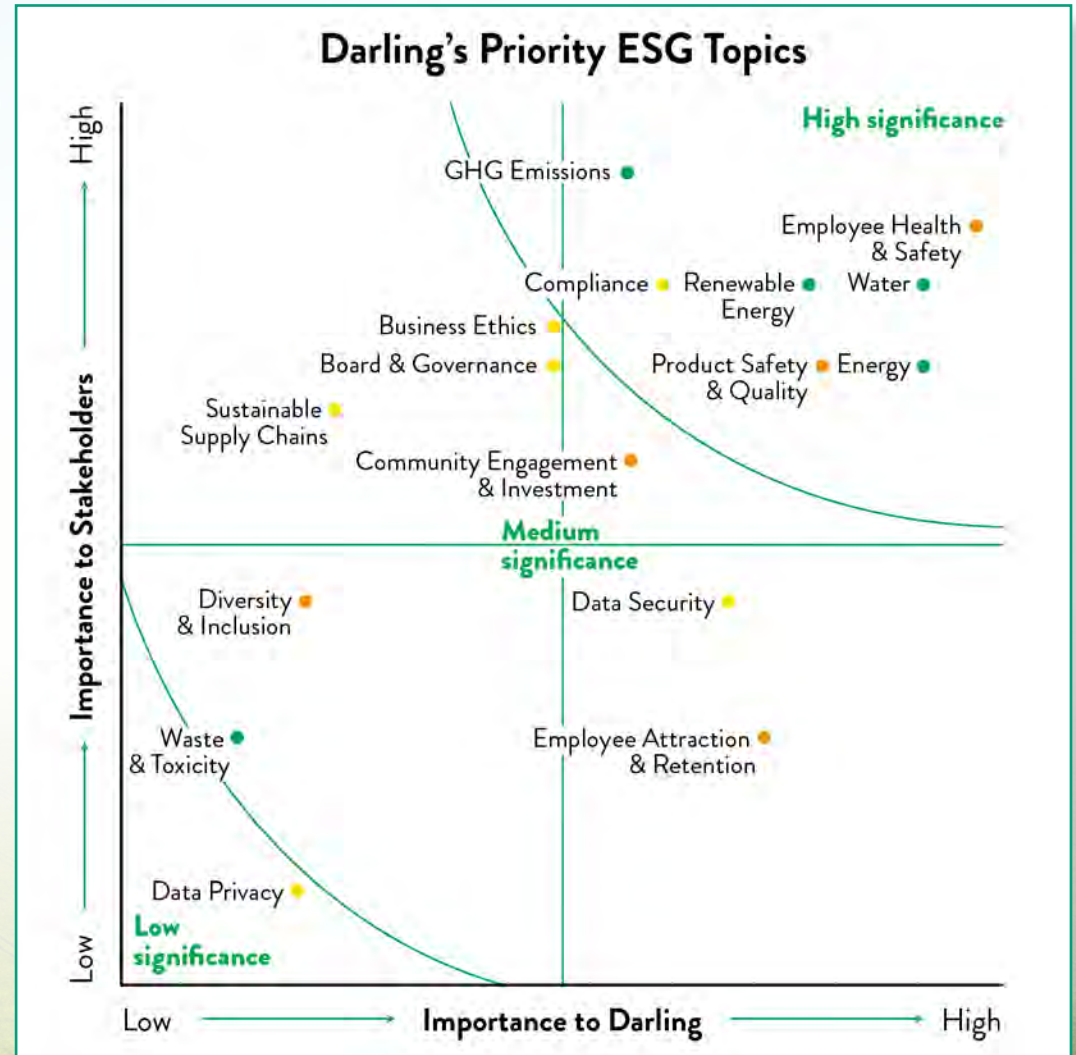
Board & governance
Business ethics
Compliance
Data privacy
Sustainable supply chains
Data security
Product safety & quality

PRIORITY ESG TOPICS

To validate that we are focused on the right topics, we refreshed our sustainability materiality assessment in 2021. To determine our priority ESG topic areas, we analyzed relevant industry standards, market drivers, investor and customer requests for information, and other stakeholder inquiries about our performance. We also surveyed members of our Global Sustainability Committee and facilitated a working session to further prioritize economic, environmental, and people and human rights topics based on the potential for significant impact across our business performance, activities and business relationships over the next five years. This resulted in a list of priority ESG topics that will guide the focus of our sustainability strategy and long-term value-creation efforts moving forward.

The priority topics that emerged include: employee health and safety, water, energy, renewable energy, GHG emissions, product safety and quality, and compliance. Topics such as business ethics, community engagement and investment, data security, and employee attraction and retention are important core elements of our continued commitment to always doing the right thing and being a great employer.

For each priority topic, we outline a set of short- and long-term objectives for our activities and investments. We will manage these priorities, monitor how stakeholders' expectations evolve on these topics, and adjust our plans as needed.



ALIGNMENT WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS




Our commitment to build a better tomorrow for all our stakeholders is rooted in our founding beliefs from 1882: We connect economic with ecological value to make a positive difference. We do this wherever we can, and where it contributes and matters most.

These same intentions are reflected on another level in our commitment to the United Nations' Sustainable Development Goals (SDGs), a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere. We've designed and aligned our ESG objectives to 10 SDGs where we believe we have the greatest opportunity for positive impact. The following table provides highlights of our initiatives and actions in 2021 that supported specific targets under eight of the SDGs.




More information on how we are working to address SDGs is detailed at our [website](#).

As the largest
renewable diesel
producer in North
America, Darling
Ingredients is
committed to SDG7,
ensuring access to
affordable, reliable,
sustainable and
modern energy.



CONTRIBUTIONS TO SDGs IN 2021

Sustainable Development Goal	SDG Target	Commitments & Actions in 2021
 <p>2 ZERO HUNGER</p>	<p>2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.</p>	<ul style="list-style-type: none"> Producing organic ingredients by repurposing agri-food coproducts. Providing protein-rich food to help feed the world's growing population in an efficient and productive manner through our EnviroFlight operation. Developing new Enviroflight R&D center to meet the needs of a growing regenerative agriculture business, and conducting highly technical research on black soldier flies and their larvae.
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality and affordable essential medicines and vaccines for all.</p>	<ul style="list-style-type: none"> Furthering medical research with innovative new technologies, like the 3D living pancreas model, which eliminates the need for animal testing and reduces the burden on individual patients to experiment with different drugs until one works. Enhancing medicine with high-quality products such as Heparine, extracted from porcine mucosa. Establishing Global Environment, Health & Safety Policy. Ensuring 100% of workers covered by an occupational health and safety training program. Providing comprehensive regional health benefit programs for employees.
 <p>4 QUALITY EDUCATION</p>	<p>4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.</p>	<ul style="list-style-type: none"> Providing leadership training opportunities to develop our workforce and succession planning. Sponsoring several women to participate in the Xavier Women's Leadership Program, a 10-month virtual program facilitated by industry leaders.
	<p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.</p>	<ul style="list-style-type: none"> Supporting four students from the University of Waterloo, Ontario, Canada, in our annual 8-week Health and Safety internship program. Equipping all operators with the skills and expertise needed for proper operation and maintenance of our equipment through biannual Boiler School and Centrifuge Training Course.

CONTRIBUTIONS TO SDGs IN 2021

Sustainable Development Goal	SDG Target	Commitments & Actions in 2021
<p>6 CLEAN WATER AND SANITATION</p> 	<p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.</p>	<ul style="list-style-type: none"> Setting a target to achieve sustainable water use by 2050, compared to our baseline year 2020. Establishing a water taskforce in the U.S. with accountability for developing a roadmap to achieve sustainable water use by 2050.
<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.</p>	<ul style="list-style-type: none"> Setting ambitious goal to increase the amount of renewable green diesel we generate through the Diamond Green Diesel Joint Venture by 150% by 2022. Producing 372 million gallons of renewable diesel in 2021. Expanding our capacity to generate renewable energy by acquiring Group Op de Beeck, one of the leading organic waste and industrial byproduct processing companies in Belgium in 2022.
	<p>7.3 By 2030, double the global rate of improvement in energy efficiency.</p>	<ul style="list-style-type: none"> Setting a target to reduce energy consumption by 5% per unit processed by 2025, compared to our baseline year 2020.
<p>10 REDUCED INEQUALITIES</p> 	<p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p>	<ul style="list-style-type: none"> Established Human Rights Policy in 2021. Darling Ingredients' Code of Conduct includes commitments to non-discrimination, anti-harassment and human rights. Darling Ingredients is an equal opportunity employer. Darling Ingredients provides and is committed to equal pay and competitive pay analysis using a global compensation analysis system. Darling Ingredients offers same-sex couple benefits.
	<p>10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.</p>	

CONTRIBUTIONS TO SDGs IN 2021

Sustainable Development Goal	SDG Target	Commitments & Actions in 2021
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources.</p>	<ul style="list-style-type: none"> • Reducing our consumption of freshwater and increasing water re-use during production cycles, in many instances (where appropriate for intended use) making Darling Ingredients facilities net water contributors. • Setting target to reduce our water intensity by 5% by 2025 from our baseline year of 2020, in both our Collagen/Gelatin and Rendering & Specialties lines of business. • Setting long-term goals to achieve net zero GHG emissions and achieve sustainable water use by 2050. • Established Global Water Policy.
<p>13 CLIMATE ACTION</p> 	<p>13.1 By 2030, strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p>	<ul style="list-style-type: none"> • Set goal to become a net zero emissions business by 2050 to help mitigate the impacts of climate change. • Establishing an energy taskforce with accountability for developing a roadmap to achieve net zero by 2050. • Planning to submit letter to the Science Based Targets initiative (SBTi) in 2022, outlining Darling Ingredients' commitment to working toward setting a science-based emission reduction target. • Embarking on gap assessment against the Task Force on Climate-Related Financial Disclosures (TCFD) to better understand gaps in practice and disclosure and develop a roadmap to close those gaps. • Allocating significant funds each year through our capital expenditures budget for facility upgrades that improve water and energy efficiency (nearly \$10 million in 2021).

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a critical part of our ESG strategy, providing input that helps align our sustainability activities and communications with stakeholder priorities. We maintain open, flexible, multi-dimensional communication channels with our customers, employees, investors and industry analysts, as well as government bodies, communities, business partners and academic institutions.

Stakeholder Group	Why We Engage	How We Engage
Investors & analysts	To communicate our business results and how we achieved those results, including our approach to ESG topics. We also engage directly with our largest investors to understand how their ESG interests and expectations are evolving.	<ul style="list-style-type: none"> • In-person and virtual meetings, quarterly investment calls and investor conferences and presentations. • 1:1 investor engagement meetings: <ul style="list-style-type: none"> ◦ In 2021, we reached out to shareholders representing 58% of outstanding shares, and our compensation committee led discussions in meetings with each stockholder who responded to our engagement request, which overall represented 20% of outstanding shares. • Solicit feedback from stockholders annually on advisory say-on-pay and executive compensation: <ul style="list-style-type: none"> ◦ At our 2020 and 2021 annual meetings, approximately 98.2% and 95.4% (respectively) of the votes cast were in favor of the advisory vote to approve executive compensation. • Conference calls. • Analyst days. • Voluntary disclosure in ESG surveys.

STAKEHOLDER ENGAGEMENT

Stakeholder Group	Why We Engage	How We Engage
Customers	To listen and engage with customers on shared ESG issues and challenges.	<ul style="list-style-type: none"> • 1:1 customer engagement meetings. • Response to supplier sustainability questionnaires received from our customers. • Participation in supplier ESG workshops and training sessions facilitated by key customers. • Launch of Sonac Product and Application Research Center (SPARC) advanced research center to support customer innovation and development of more sustainable products.
Government & regulatory bodies	To advocate for public policy positions that we believe are critical for the sustainability of our business. We engage proactively and constructively with government officials and regulatory agencies to maintain compliance with a range of laws and regulations that apply to our industry. We collaborate to interpret and apply existing regulations and support implementation. We also engage to receive approval of new products, along with import and export permits.	<ul style="list-style-type: none"> • Public policy organizations. • Regulatory submissions. • Facility tours in non-COVID years. • Meetings to provide scientific/fact-based input surrounding food safety. • Initiate process for approval of new developments and innovative products.
Employees	To share our commitments and progress on ESG topics, seek input from employees to reduce our environmental footprint, foster a culture of belonging and inclusion, build a workplace that values learning and development and be a safe place to work.	<ul style="list-style-type: none"> • Routine employee Environment, Health & Safety training. • Town hall meetings with senior leaders. • Employee performance feedback process. • Intranet and newsletter communications. • Functional, departmental and team meetings. • Hotline.

STAKEHOLDER ENGAGEMENT

Stakeholder Group	Why We Engage	How We Engage
Suppliers	To build trusted relationships with supplier companies that share our values and high standards for labor, health and safety, and environmental commitments, in addition to the procurement of high-quality products, services and materials that support our business objectives.	<ul style="list-style-type: none"> • Supplier contracting process. • 1:1 supplier meetings. • Collaborate on renewable bioenergy to lower GHG emissions.
Business partners	To contribute to the development and expansion of low-emission goods and services through Diamond Green Diesel, a 50/50 joint venture with Valero Energy Corporation.	<ul style="list-style-type: none"> • Ongoing engagement and collaborative discussions to move into mass-scale production of renewable green diesel.
Industry associations	To support the agriculture industry and the world food supply chain as a circular economy company.	<ul style="list-style-type: none"> • Ongoing engagement with industry peers and other corporate leaders on ESG topics, market trends and drivers through several industry and business associations: <ul style="list-style-type: none"> ◦ Serve on Boards of seven trade associations. ◦ Serve as President and Chairman of Sustainability on two trade associations. • Support industry platforms and supply data to sustain the agriculture sector.
Communities	To identify areas of greatest need where we can lend our support, in close collaboration with our employees and local community partners.	<ul style="list-style-type: none"> • Engage with employees on causes they care about in their local communities. • Engage with non-profit partners to better understand their needs and how we can contribute.
Academia	To support the education and development of agriculture students to build a strong talent pipeline for our industry.	<ul style="list-style-type: none"> • Direct fundraising initiatives and sponsorship engagements for the Future Farmers of America (FFA). • Sit on Advisory Board for CLEAR Center at University of California at Davis. • Provide 8-week internships for four students in Health and Safety at the University of Waterloo, Ontario, Canada.



STAKEHOLDER ENGAGEMENT

Our 2021 engagement highlights include:

- **Customer: Wendy's.** Used cooking oil can be challenging and costly to dispose, and we saw an opportunity to leverage our circular systems expertise to create value out of waste. Today, Darling Ingredients provides safe waste oil collection services to a number of larger customers in the restaurant industry, including Wendy's company-operated and franchised restaurants in the U.S. and Canada. We are proud of our longstanding Wendy's partnership, through which in 2021 we processed 24 million pounds of used cooking oil at the Diamond Green Diesel plant in Norco, LA, converting it into cleaner-burning renewable diesel.
- **Communities: Valley Water Collaborative.** Darling Ingredients joined the Valley Water Collaborative (VWC), a non-profit that brings stakeholders together on initiatives that protect the availability and quality of the northern San Joaquin Valley's groundwater. Through the VWC, Darling Ingredients is collaborating with public utilities, industry and agriculture partners to mitigate the impacts of nitrate contamination over time and restore safe drinking water for the watershed's communities and residents. At our facility in Turlock, California, we operate a state-of-the-art treatment system for removal of organic nutrients from wastewater, and we have installed a waste heat evaporator to reduce

the volume of water that must undergo land application. For more information regarding VWC, visit valleywaterc.org.

- **Academia: CLEAR Center at University of California at Davis.** The CLEAR Center conducts research and benchmarking on air and climate pollutants, studies effects on human and animal health and welfare, and develops mitigation strategies. Focusing on the nexus of agriculture and environmental sustainability, CLEAR communicates research findings to relevant stakeholders and the public at large. Darling Ingredients' Director of Environmental Affairs joined the CLEAR Center Advisory Council in 2021 to advise on potential research topics and identify interested individuals to help further the Center's work. Darling Ingredients' support helps fund research projects on sustainable animal agriculture, primarily in the production of dairy and beef. One of the Center's more significant recent outputs was work on the biogenic carbon cycle and associated video [Rethinking Methane](#), which was recognized by the IPCC in their most recent Assessment Report (AR6).

“ We value our partnerships with more than 150,000 restaurants across North America and view them as a significant piece of the solution for sustainable consumption and production. Our purpose is to help our customers repurpose their used cooking oil and protect the environment.

— Sandra Dudley,
Executive Vice President,
Renewables and U.S.
Specialty Products

”

ENVIRONMENTAL

Sustainability means working to ensure a healthy planet, protecting natural resources and building an inclusive future that provides opportunity for all. To mitigate the worst impacts of climate change and biodiversity loss and move toward a more sustainable future, everyone must address environmental impacts—quickly and at scale. That’s why Darling Ingredients has established several short- and long-term targets to help reduce our global environmental footprint.

The company’s Global Sustainability Committee (GSC) and energy and water taskforce teams are developing an ambitious 2050 roadmap for the company’s operations to achieve net zero GHG emissions and sustainable water use. We have identified concrete initiatives to help us make progress and expect to uncover additional strategies and opportunities as we learn more.

In our rendering business, we continue to look for new applications for the water we draw from raw materials, either to reuse in our own operations or to return to natural water cycles via crop irrigation, or release to local watersheds. Leveraging our expertise in agriculture and the repurposing of raw materials, we are also committed to increasing the amount of renewable bioenergy we produce from animal fats, organic residuals, and used oil and grease we collect from restaurants.

Through joint ventures and partnerships with customers and nongovernmental organizations, we’re developing a roadmap to further transition our sustainable business practices and enhance our efficient use of resources. Highlights of these partnerships are documented throughout this report.

“

Darling Ingredients has a responsibility to future generations to help combat climate change. We intend to submit in 2022 a commitment letter to the Science Based Targets initiative (SBTi), working toward setting a science-based emission reduction target.

— Suann Guthrie,
Vice President, Investor Relations,
Sustainability and Global
Communications

”

PROGRESS ON OUR STRATEGIC ENVIRONMENTAL TARGETS

In early 2021, the Global Sustainability Committee (GSC) engaged leaders across our business to develop and launch an ambitious, forward-looking climate change and water stewardship strategy, with short-, medium- and long-term targets. The table below demonstrates our progress against these commitments and targets. We will continue to share our progress on these goals in future reports.

Term	Darling Ingredients' Commitments & Targets	Identified Initiatives	Progress in 2021
Short-term targets (0–5 years)	Energy: Reduce energy consumption by 5% per unit processed by 2025, based on 2020 values.	<ul style="list-style-type: none"> Employee energy conservation training. Energy studies for select U.S. processing facilities. Integration of process-related waste heat recovery concepts. Energy efficiency improvements of steam/condensate systems. Replacement of thermal energy driven evaporator systems by membrane systems. Development of new business initiatives for increasing production volume of renewable electricity and renewable gas. 	<ul style="list-style-type: none"> Made progress toward our goal, with our Collagen/Gelatin business being 18% of the way toward achieving their 5% energy intensity reduction target. Invested ~\$6 million in investments, including the following projects: <ul style="list-style-type: none"> Reduced thermal energy consumption and GHG emissions by replacing coal boilers with two new gas boilers at facility in Kaiping, China. Installed LED lighting and heat-recovery pumps and undertook dryer optimization projects to reduce thermal and electricity consumption at all our global gelatin/collagen operations. Increased fuel burning efficiency by investing over \$1 million in upgrades at our St. Louis, Missouri facility.

PROGRESS ON OUR STRATEGIC ENVIRONMENTAL TARGETS

Term	Darling Ingredients' Commitments & Targets	Identified Initiatives	Progress in 2021
Short-term targets (0–5 years)	Bioenergy: Increase renewable fuel production by 150% from 2019–2022.	<ul style="list-style-type: none"> Started construction of DGD 3 in Port Arthur, Texas. Growing presence in European sustainable energy production with Group Op de Beeck acquisition. 	<ul style="list-style-type: none"> Produced 372 million gallons of renewable diesel in 2021, representing growth of 35% since 2019. On track to exceed 150% increase in renewable fuel production by 2022 (from 2019 baseline).
	Water: Withdraw 5% less water per unit processed by 2025, based on 2020 values.	<ul style="list-style-type: none"> Employee water conservation training. Water studies for locations identified as having potential water-related scarcity risks. Installing meters at key facilities to measure freshwater withdrawal and discharge. Implementation of Best Available Technology (BAT) wastewater treatment and effluent reuse technologies. 	<ul style="list-style-type: none"> We are 36% of the way to achieving our 2025 water withdrawal intensity target. In early 2022, Darling Ingredients launched a new water taskforce charged with identifying additional water efficiency and stewardship opportunities. Implemented a wastewater recycling system to reduce freshwater consumption in Amparo, Brazil.

PROGRESS ON OUR STRATEGIC ENVIRONMENTAL TARGETS

Term	Darling Ingredients' Commitments & Targets	Identified Initiatives	Progress in 2021
Mid-term targets (5–10 years)	Mid-term targets will include GHG and water mitigation initiatives for the years 2025–2030.	<ul style="list-style-type: none"> Investigate innovative technology. Surface creative and appropriate water reuse applications. Increase our use of renewable energy. 	<ul style="list-style-type: none"> ~6% of energy used in operations in 2021 sourced from renewables.
Long-term targets (10–30 years)	<ul style="list-style-type: none"> GHGs: Net zero GHG emissions. Water: Sustainable water use by 2050. Aim to achieve 100% water circularity and replenish more water than we withdraw in priority watersheds identified in our water risk assessment. 	<ul style="list-style-type: none"> Further investigation of innovative carbon-removal technologies. Increased use of renewable energy. Further exploration of new technologies for water circularity and/or water avoidance, reduction, reuse, recycling and replenishment. 	<ul style="list-style-type: none"> Year-over-year reduction in Scope 1 and Scope 2 GHG emissions.

MANAGEMENT SYSTEMS AND ACCOUNTABILITY

95% of our European Rendering & Specialties operations are certified under the ISO 14001 standards. All other global locations have an EMS and/or are aligned with ISO 14001. Click [here](#) for our ISO 14001 Alignment Position Paper and [here](#) for a list of our certified locations.

We utilize environmental management systems (EMS) to help comprehensively and systematically fulfill our environmental policy, programs and key compliance tasks across all regions of operation, and document and manage data needed to assess progress against our targets. Additionally, our Global Environment, Health & Safety Policy outlines our commitment to limiting operational impact on the environment, as well as our commitment to providing a safe and healthy workplace for employees and contractors across all locations.

Along with our EMS, we have several established protocols for assessing Environment, Health and Safety (EHS) compliance performance, including:

- Self-inspections conducted by individual facilities on a quarterly basis;
- Periodic internal compliance assistance visits; and
- Compliance assessments as needed from third-party consultants.

All Darling Ingredients operations employees receive a combination of computer-based and hands-on EHS training upon hiring, and annually thereafter, as it relates to their position and scope of responsibilities.

Our Global Sustainability Committee (GSC) oversees our sustainability performance, including setting of performance targets, monitoring performance against targets, reporting on performance to the Board, and approving our annual ESG Reports for public release. GSC members are senior-level employees representing a range of business functions. In addition, sustainability metrics have been incorporated into executive-level strategic, operational and personal goals. The global environmental affairs leadership team updates the Board annually and provides a quarterly report covering certain EHS metrics across all operations.

ENERGY AND EMISSIONS

Climate change poses significant risks to people, communities, ecosystems and businesses. For Darling Ingredients, it represents a long-term strategic priority, not just as a risk to manage, but as an opportunity to help enable the global transition to a low-carbon future. For 140 years, we have been working to provide sustainable environmental solutions by repurposing bio-nutrients from the world's food waste streams. Today, we are also committed to reducing the direct climate impacts of our own activities and to measuring our direct and indirect emissions on a regular basis. In 2021, we set the ambitious goal of becoming a net zero emissions business by 2050. This commitment and our GHG-reduction efforts support the economic and societal shifts necessary to help mitigate the impacts of climate change and to reach society's collective Paris Agreement goals.

OUR CARBON FOOTPRINT

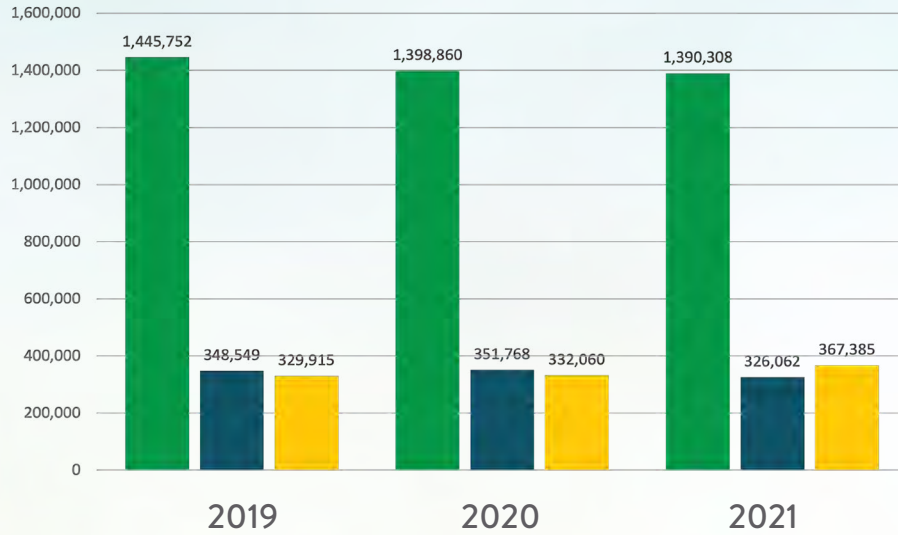
Our annual greenhouse gas emissions inventory helps generate a comprehensive understanding of energy use and emissions across our operations. We use the Operational Control approach and the GHG Protocol Corporate Standard and Scope 3 Standard as guidance, and continue each year to improve on our methodologies and data quality.

Totaling 1.39 million tCO₂e in 2021, our Scope 1 emissions are the largest contributor to our carbon footprint, which is why we are focusing our short-term strategy on reducing our direct energy use. Fuel consumption at our facilities, otherwise known as stationary fuel, is the largest contributor to our Scope 1 emissions.

To achieve our long-term net zero goal, we plan to:

- Validate our net zero baseline and targets through the Science Based Targets initiative;
- Continue to optimize energy consumption by committing to reduce electrical consumption;
- Analyze our value chain to uncover opportunities to deliver further efficiencies across our operations, such as increasing use of renewable energy;
- Engage with projects pursuing nature-based solutions to facilitate carbon removal; and
- As we transition to net zero, continue to mitigate our emissions by increasing our sourcing of renewable energy and leveraging other energy-efficiency management programs.

OUR CARBON FOOTPRINT FY19–FY21 (tCO2e)

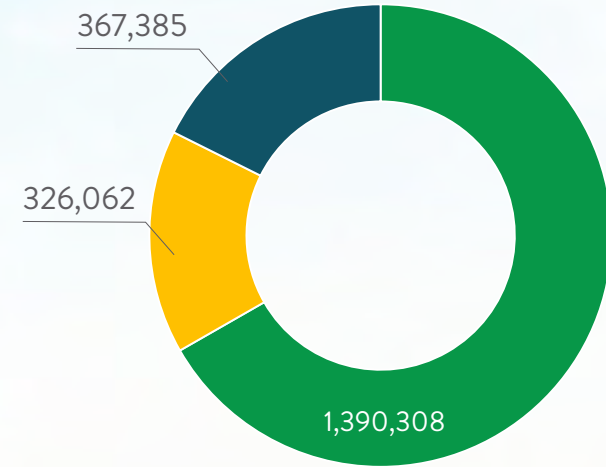


	2019	2020	2021
● Scope 1	1,445,752	1,398,860	1,390,308
● Scope 2	348,549	351,768	326,062
● Scope 3	329,915	332,060	367,385

Emissions are defined according to their scope. The Greenhouse Gas Protocol defines Scope 1, 2 and 3 emissions as follows:

- **Scope 1 (direct emissions):** GHG emissions from operations that are owned or controlled by Darling Ingredients. This includes onsite fuel consumption (stationary emissions), mobile fuel consumption (mobile emissions), and fugitive emissions.
- **Scope 2 (indirect emissions):** GHG emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by Darling Ingredients. For Darling Ingredients, this only includes purchased electricity.
- **Scope 3 (indirect emissions):** All indirect emissions (not included in Scope 2) that occur in the value chain of Darling Ingredients, including both upstream and downstream emissions. The data in this report represents the following upstream categories: Business Travel, Employee Commuting, and FERA emissions (fuel- and energy-related activities from upstream extraction, which includes processing and transportation of consumed electricity and fuels).

EMISSIONS SOURCE (tCO2e)



	Emission Sources	2021
● Scope 1	Stationary fuel	1,253,270
	Mobile fuel	137,029
	Fugitive emissions	9
	Scope 1 Total	1,390,308
● Scope 2	Purchased energy	326,062
	Scope 2 Total	326,062
● Scope 3	Business travel	846
	Employee commute	14,777
	FERA	351,762
	Scope 3 Total	367,385

OUR VIEW ON WASTE GENERATION AND DISPOSAL

Darling Ingredients acts as a solution for our entire upstream and downstream value chain by repurposing byproducts that would otherwise require disposal, primarily through landfilling. Our role is essential for driving down the GHG emissions of the entire value chain.

Our facilities generate negligible amounts of waste that require disposal since we simply convert organic residuals into value-added products without utilizing other materials in the conversion process. In 2021, Darling Ingredients processed ~11M metric tons of raw material, excluding our Diamond Green Diesel joint venture.

Given the negligible volumes of solid and/or hazardous waste generated by our facilities, and that the majority of our finished products require no packaging, we neither collect nor monitor data related to waste disposal. We focus our efforts and investments on reducing our environmental footprint in areas where we can have the greatest potential positive impact.

In 2021, we calculated our waste emissions by analyzing a representative sample of our conversion operations located in our largest production region based on employee count. We then estimated the emission profile from the sample, which included average cost per weight of collected materials and waste stream categorized in terms of destination, and employed mass-based emission factors utilizing the latest version of the U.S. EPA's Waste Reduction Model (WARM). The emissions from this sample were extrapolated to the rest of the company based on employee count. The review concluded that our waste-related emission profile is only 0.03% of our reported Scope 3 GHG emissions, and as such it is considered immaterial to our business model or our ESG commitments at this time.

ASSESSING CLIMATE RISK

In early 2022, we embarked on a gap assessment and benchmarking exercise to review our practices and disclosure against the most updated TCFD Framework, published in October 2021. Darling Ingredients aspires to disclose under all 11 recommendations in TCFD's four thematic areas, including climate governance, strategy, risk management, and metrics and targets. We have included a TCFD Index for the first time in this year's ESG report and will continue to build out disclosure in future reports.

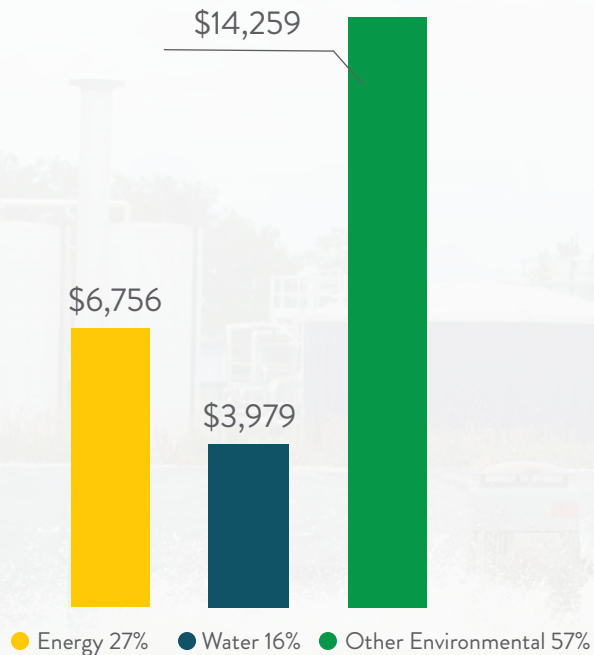
The gap assessment will help us identify which pieces we have in place and where we need to develop new practices or strengthen existing ones to better prepare for emerging requirements, including new rules for climate change disclosure proposed by the Securities and Exchange Commission (SEC) and the International Sustainability Standards Board (ISSB).

ENERGY REDUCTION

To reach our energy reduction goal of 5% by 2025 (2020 baseline), we've invested and will continue to invest in energy-efficient technologies, process adjustments and employee training. In 2021, we invested more than \$6 million in projects across our global operations to conserve energy.

2021 investments in environmental projects

(In thousands)



2021 energy and water conservation highlights include:

- **Kaiping, China.** Reduced thermal energy consumption and GHG emissions by replacing coal boilers with two new gas boilers. Installed ultrafiltration unit to replace evaporator and increase project capacity, and upgraded chilling machine. Activities resulted in approximately a 13% reduction in energy consumption per metric ton of raw material processed.
- **European gelatin/collagen operations.** Installed LED lighting and heat-recovery pumps and underwent dryer optimization projects to reduce thermal and electricity consumption at our gelatin/collagen operations.
- **St. Louis, Missouri, USA.** Increased fuel burning efficiency by investing over \$1 million in upgrades.
- **Moorefield, Canada.** Rerouted reverse osmosis system water used in plant oil cooling heat exchangers to biofilter sump to reduce use of freshwater, saving approximately 16,000 gallons per day, or approximately 4.8 million gallons per year.

ENERGY REDUCTION

2021 energy and water conservation highlights:

- **Ghent, Belgium.** Installed green roof with succulent sedums to stabilize temperatures and reduce consumption of cooling water (pictured below).



- **Amparo, Brazil.** Implemented wastewater recycling system to reduce freshwater consumption.
- **Bad Bramstedt, Germany & Luohe and Changchun, China.** Installed heat recovery from exhaust gases of spray drier equipment at citric blood processing site. This achieved a 5% reduction in thermal energy consumption at each site.

In 2021, Darling Ingredients invested approximately \$25 million in energy and water efficiency improvements as well as other aspects of our environmental management system. These investments help drive continued reductions in environmental impacts associated with our operations.

SUSTAINABLE BIOENERGY PRODUCTION

In 2011, Darling Ingredients partnered with Valero Energy Corporation on a 50/50 joint venture called Diamond Green Diesel (DGD). At our refinery in Norco, Louisiana, the partnership uses waste fats and oils, such as recycled animal fat, used cooking oil and distillers corn oil, to make renewable green diesel.

The renewable diesel produced at DGD is a true hydrocarbon, and unlike ethanol and biodiesel, it integrates into the pre-existing petroleum-based infrastructure with minimal modifications. It can be shipped by pipeline, rail or truck. Importantly, the fuel has a carbon intensity low enough to meet the most stringent low-carbon fuel standards.

Transportation fuels produced from biomass feedstocks can reduce GHG emissions by up to 85% compared to fossil fuel, increase energy independence, and bring jobs and investment to the U.S. In 2021, our operations converted waste fats and oils into 372 million gallons of biodiesel, equivalent to 3.2 million tCO_{2e}.

Our next renewable diesel plant in Port Arthur, Texas, is scheduled for completion in fourth quarter 2022. With a capacity of 470 million gallons per year, this will increase DGD's total annual production to approximately 1.2 billion gallons of renewable diesel.

With premier access to animal fats and used cooking oil, Darling Ingredients sits in a unique position as the only vertically integrated renewable diesel producer in the world. With the continued support of federal programs such as the National Renewable Fuel Standard Program (RFS2) and the growth of state-sponsored low-carbon fuel standards (LCFS) beyond California, it's clear that the world's desire for decarbonization will continue to grow.

Growing green energy production in Europe

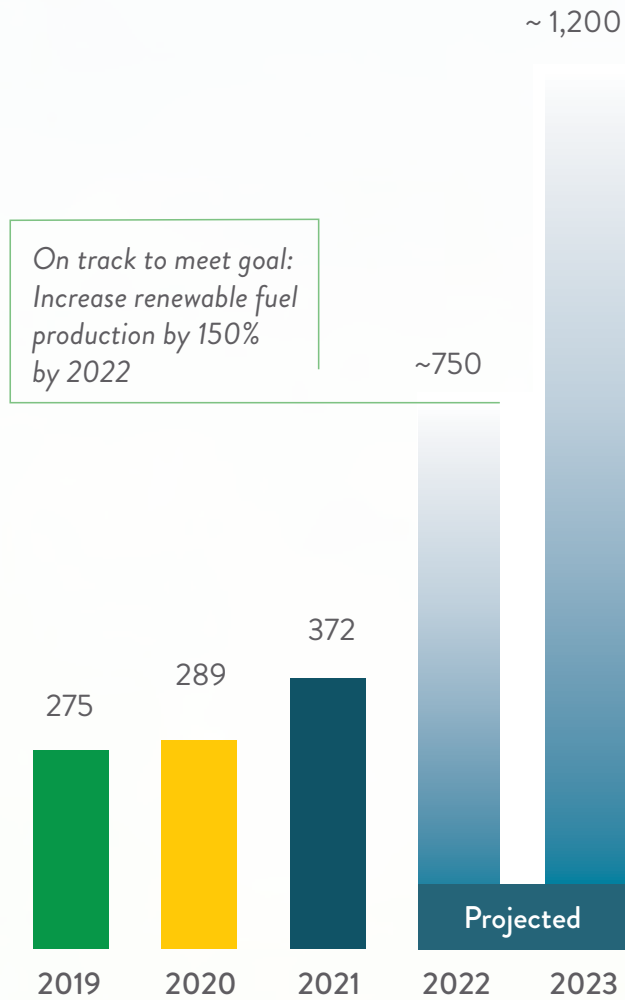
We are actively looking to scale our ability to provide the world with green energy. In February 2022, we acquired Group Op de Beeck, one of the leading organic waste and industrial byproduct processing companies in Belgium. Not only is this acquisition a perfect fit for our growing presence in European sustainable energy production, but it progresses our development of bio-digestion.

Bio-digestion is a process that converts food waste into sustainable energy. The process begins with collecting waste from restaurants, slaughterhouses and grocery stores. It then uses micro-organisms to break down the waste materials' carbohydrates and sugars. The final product of bio-digestion is methane, an energy source primarily used to make heat and electricity. Group Op de Beeck's operations help us increase our renewable energy production aspirations while diversifying our sustainable energy product portfolio and expanding the market for these products.



SUSTAINABLE BIOENERGY PRODUCTION

Renewable diesel production (MGal)



Renewable Energy Production

	2019	2020	2021
Renewable diesel (MGal)	275	289	372
Renewable diesel (1000m3)	1,040	1,095	1,407
Ecoson renewable electricity (GWh)	47.4	59.8	62
Ecoson renewable gas (MNm3)	5.32	6.03	6.24
Finished product used for bioenergy (metric tons)	1,521,171	1,610,790	1,837,606

SUSTAINABLE BIOENERGY PRODUCTION

Diamond Green Diesel produced 372 million gallons of renewable diesel in 2021, avoiding 3.2 million tonnes CO₂e.

“ Processing 15% of the world’s slaughtered animals and 50% of the used cooking oil in the U.S., Darling Ingredients is the premier provider of sustainable feedstocks for renewable diesel. We are proud of our commitment to using these waste fats and oils to make the lowest carbon intensity renewable diesel. ”

— Sandra Dudley,
Executive Vice President, Renewables and
U.S. Specialty Products

SUSTAINABLE WATER USE

A major byproduct of our repurposing process is water extracted from organic bio-nutrients. As a result, our facilities actually generate an overall positive return of water to the environment compared to the volume of water withdrawn from other sources. We follow a regulatory structure to help ensure the discharged effluent from our operations creates no added stress to land, surface water or municipal treatment plants.

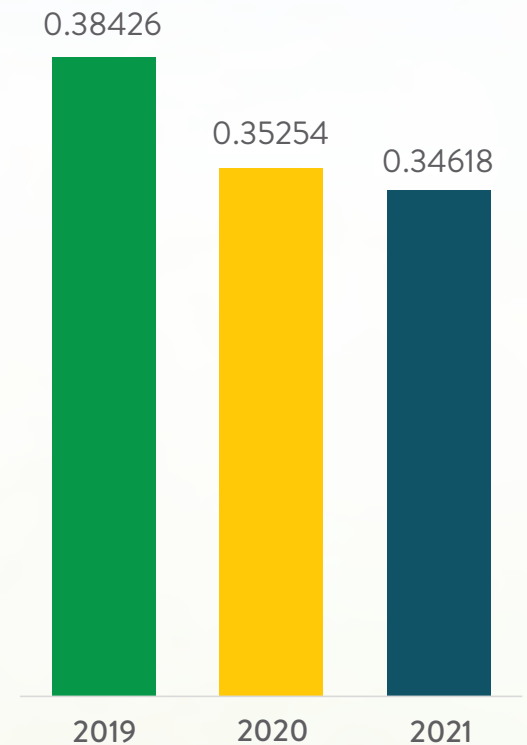
We also utilize water recovery and reuse systems to reduce our water withdrawals and improve water efficiency across many of our U.S. and international operations. At a minimum, all Darling Ingredients plants engage in primary water reduction practices including, but not limited to, high-pressure/low-flow wash systems, condensate recovery and return systems, reduction of evaporation from waste heat processes, system efficiency upgrades for water use reductions, treated effluent use for irrigation of cropland and the creation of Water Conservation Plans, and limiting the demand for freshwater supplies across Darling Ingredients operations.

Where appropriate, we find opportunities to recycle water in our processing systems. As climate change continues to exacerbate water availability and quality issues, water recycling will become an increasingly important way to conserve freshwater in our operations.

In early 2022, Darling Ingredients launched a new water taskforce to identify additional water efficiency and stewardship opportunities to meet our 2025 water withdrawal targets.

Darling Ingredients returns approximately **11 billion gallons of water** back to the environment each year.

Global water intensity
(gallons per pound of raw material)



In 2021, our global water intensity decreased by 1.8%, which means that we are 36% of the way to achieving our 2025 goal.

ASSESSING WATER RISK

In 2021, Darling Ingredients assessed water stress across its operational portfolio using the World Resources Institute's Aqueduct Water Risk Atlas tool. This analysis identified facilities representing ~10% of our total water withdrawal as being located in water stressed basins. This figure includes the same facilities identified in our 2019 water risk assessment plus three new sites, showing the continued relevance of our work. In 2023, we plan to revisit our water risk assessment, adding the company's latest acquisitions.

~49% of facilities located in water-stressed areas return ~47% more water back to the environment than withdrawn.

Our basin-level water risk assessments follow best-practice standards. To identify our highest risk facilities, we utilize water accounting data and indicators from the Aqueduct Water Risk Atlas in combination with the World Wide Fund for Nature's Water Risk Filter, Ecolab's Water Risk Monetizer and company technical knowledge. In this analysis, Darling Ingredients also looks at regions where water scarcity may become a more significant issue in the future.

Our 2021 water risk assessment showed that ~10% of Darling Ingredients' total water withdrawal occurs in water stressed areas. We are working diligently to reduce our water withdrawals and optimize the amount of water we return back to the environment.

KEY ENVIRONMENTAL METRICS

Topic	Key Performance Indicator	2019	2020	2021
Energy & Emissions				
Energy Consumption	Total amount of direct energy consumed (excluding fleet vehicles) (GJ)	26,414,734	25,129,779	25,233,938
	Total amount of indirect energy consumed (GJ)	3,259,840	3,360,607	3,363,726
	Percentage of energy consumed (excluding fleet vehicles) that was supplied from grid electricity (%)	10.8%	11.8%	11.8%
	Percentage of energy consumed (excluding fleet vehicles) that is renewable energy (%)	7.1%	5.6%	5.0%
	Total fleet fuel consumed – non-renewable (GJ)	1,994,798	1,961,459	1,935,266
	Rendering & Specialties energy intensity per unit of raw material (GJ/100lb)	0.13698	0.12261	0.12258
	Collagen/Gelatin energy intensity per unit of production (GJ/100lb)	4.41744	4.31712	4.27765
Greenhouse Gas (GHG) Emissions / Enterprise Carbon Footprint	Scope 1 GHG emissions (tCO ₂ e/year) ¹	1,445,752	1,398,860	1,390,308
	Scope 2 GHG emissions – location based (tCO ₂ e/year) ²	348,549	351,768	326,062
	Scope 2 GHG emissions – market based (tCO ₂ e/year) ²	394,922	404,737	379,401
	Scope 3 GHG emissions – business travel, FERA, employee commuting (tCO ₂ e/year) ³	329,915	332,060	367,385
	Rendering & Specialties GHG emissions intensity (tCO ₂ e/MT raw material) ⁴	0.17110	0.15539	0.15191
	Collagen/Gelatin GHG emissions intensity (tCO ₂ e/MT product)	5.51773	5.47152	5.30129

1. Our scope includes the following GHGs: CO₂, CH₄, N₂O and HFCs. We use emission factors from the U.S. Environmental Protection Agency and the International Energy Agency, global warming potential (GWP) factors from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (2014), and methodologies outlined in the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.
2. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factors). A market-based method reflects emissions from electricity that companies have purposefully chosen.
3. Our Scope 3 GHG Emissions calculations include three upstream categories at this time: business travel, emissions from the upstream extraction which includes processing and transportation of consumed electricity and fuels (fuel- and energy-related activities), and employee commuting.
4. Raw materials (animal byproducts, bakery residuals and used cooking oils) GHG emissions included in the intensity ratio include direct (Scope 1) and indirect (Scope 2) emissions and include the following gases: CO₂, CH₄, N₂O and HFCs.

KEY ENVIRONMENTAL METRICS

Topic	Key Performance Indicator	2019	2020	2021
Energy & Emissions				
Renewable Energy Production	Renewable diesel (Mgal) ⁵	275	289	372
	Renewable diesel (1000m3)	1,040	1,095	1,407
	Biodiesel (Mgal) ⁶	15	11	0
	Biodiesel (1000m3)	55	40	0
	Ecoson renewable electricity (GWh)	47.4	59.8	62
	Ecoson renewable gas (MNm3)	5.32	6.03	6.24
	Finished product used for bioenergy (MT) ⁷	1,521,171	1,610,790	1,837,606
Water				
Water Withdrawal	Total water withdrawal from all sources (Mgal)	9,389	9,216	9,087
	Total water purchased from third parties (Mgal)	1,380	1,386	1,427
	Total fresh surface water (Mgal)	3,962	4,751	4,597
	Total groundwater (Mgal)	4,047	3,079	3,063
	Total water withdrawal: Business Others (Mgal)	70	69	55
	Total water withdrawal: Rendering & Specialties (Mgal)	1,955	2,141	2,191
	Total water withdrawal: Collagen/Gelatin (Mgal)	7,363	7,006	6,841
	Total water withdrawal from all sources (1000m3)	35,541	34,885	34,397
	Total water purchased from third parties (1000m3)	5,226	5,247	5,401
	Total fresh surface water (1000m3)	14,996	17,984	17,401
	Total groundwater (1000m3)	15,319	11,654	11,595

5. Renewable diesel production includes the total Diamond Green Diesel 50/50 joint venture entity-level production amount.

6. At the end of 2020, the company made the decision to shut down processing operations at its biodiesel facilities located in the U.S. and Canada, and there are no current plans to resume biodiesel production at these facilities in the future.

7. Materials being transformed into renewable energy include our own animal fats, animal meals and used cooking oils.

KEY ENVIRONMENTAL METRICS

Topic	Key Performance Indicator	2019	2020	2021
Water				
Water Withdrawal	Total water withdrawal: Business Others (1000m3)	267	260	209
	Total water withdrawal: Rendering & Specialties (1000m3)	7,401	8,105	8,292
	Total water withdrawal: Collagen/Gelatin (1000m3)	27,874	26,519	25,896
	Rendering & Specialties water intensity (Gal/lb raw material)	0.08456	0.08621	0.08794
	Collagen/Gelatin water intensity (Gal/lb finished product)	10.27097	9.93189	9.58426
	Global water intensity (Gal/lb raw material)	0.38426	0.35254	0.34618
Water Stress Analysis⁸	Percentage of water withdrawn from areas with water stress	8.8%	-	10.4%
	Withdrawal from areas with water stress: fresh surface water (Mgal)	400	-	422
	Withdrawal from areas with water stress: groundwater (Mgal)	169	-	247
	Withdrawal from areas with water stress: water purchased from third parties (Mgal)	255	-	274
	Withdrawal from areas with water stress: fresh surface water (1000m3)	1,514	-	1,597
	Withdrawal from areas with water stress: groundwater (1000m3)	640	-	933
	Withdrawal from areas with water stress: water purchased from third parties (1000m3)	965	-	1,037

8. In 2019 & 2021 Darling Ingredients conducted a basin-level water risk assessment of its full operational portfolio using the Aqueduct Water Risk Atlas tool, created and regularly updated by the World Resources Institute (WRI). Note: Withdrawals reported on in this section exclude our water contribution.

KEY ENVIRONMENTAL METRICS

Topic	Key Performance Indicator	2019	2020	2021
Water				
Water Contribution⁹	Total water contributed from Raw Materials (Mgal)	1,611	1,599	1,610
	Total water contributed from Rendering & Specialties (Mgal)	1,539	1,527	1,535
	Total water contributed from Collagen/Gelatin (Mgal)	72	72	75
Water Discharge¹⁰	Total water discharged (Mgal)	11,000	10,814	10,696
	Total Rendering & Specialties water discharged (Mgal)	3,494	3,668	3,725
	Total Collagen/Gelatin water discharged (Mgal)	7,435	7,077	6,916
	Total water discharged (1000m3)	41,639	40,936	40,491
	Total Rendering & Specialties discharged (1000m3)	13,227	13,885	14,101
	Total Collagen/Gelatin discharged (1000m3)	28,145	26,791	26,180

9. Water contribution refers to the water that we remove and collect from our raw material. This water is captured, treated and either reused in the process where appropriate for intended use (which can include evaporation of the water), used for crop irrigation, or discharged in municipalities or surface water. All of these require varying levels of treatment prior to discharge and meet required regulations.

10. We estimate water discharge as being equal to water withdrawals (freshwater) plus water contribution (removed from raw materials). Water consumption is not factored into this estimate.

RESTATEMENTS OF DATA: It is important to note that we restated a few environmental data points this year based on new and improved ways of measuring and collecting data throughout the global business.

SOCIAL

We are committed to providing a safe, healthy and inclusive workplace for all employees, and safe food and feed for our customers. We regularly assess product safety and quality programs and policies to ensure they meet the highest standards.

Our people are our most valuable resource. We've built a culture and work environment that is inclusive and respectful for all, and where our employees can do their best work and feel valued for their contributions. We also invest in the growth and development of our employees to support them in their careers.

Through [Darling Cares](#) and other initiatives, we invest in organizations working to promote the health, environmental and cultural goals of communities where we operate. Together, we work with our employees and local community partners to identify areas of greatest need where we can have the greatest impact.

HEALTH AND SAFETY

We champion safe and responsible behavior and strive for zero workplace injuries. All facilities worldwide are subject to the obligations outlined

in our global Environment, Health & Safety Policy.

In 2020, we significantly expanded our Health & Safety (H&S) team by hiring seven additional regional safety managers in the U.S. Building the capacity of this team has translated into more frequent site audits and increased assistance and guidance in the implementation of the safety program across the plants in their perspective region. In 2021, we developed a new system of



safety alerts to increase awareness of possible risks and launched quarterly conference calls where Darling Ingredients leaders around the globe share challenges and best practices with one another to identify patterns, learn new approaches and tactics, and embrace a continual improvement mindset. We also continued promoting awareness and behavior change through the Darling Life

Saving Rules Program and encouraged local H&S managers to put together site-specific EHS Improvement Plans in collaboration with their local teams.

Despite these investments, we experienced one accident involving a contractor in 2021 that resulted in loss of life. The entire Darling Ingredients family was devastated by this tragedy and recommitted to our investment in a total safety culture where all employees feel responsible for safety, feel comfortable talking about safety risks and concerns, and pursue safety on a daily basis. A total safety culture promotes safety as a way of life, not simply a program. We endeavor to incorporate safety into all Darling Ingredients behaviors and activities, including production, quality and management.

To drive further improvement, our Corporate Safety Team, which oversees safety at all U.S. locations, developed a three-year H&S strategic plan that outlines the company's safety goals and objectives in seven key areas through 2025. This strategic plan includes several leading indicators that will enable us to be more proactive in our approach to identifying risks and preventing accidents before they happen. It will also help us move from a compliance-focused culture to a commitment culture.

“ Safety is not simply training people, wearing PPE or completing a checklist. It involves creating a culture where the safe way is the only way a task can and will be done. Darling Ingredients employees possess a ‘get it done’ attitude but we can’t let that lead us into taking a shortcut or bending the safety rules. We must have a state of mind that guides us to get it done safely.

— Mark Etheridge,
Corporate Safety Director

”

SEVEN PILLARS OF OUR HEALTH AND SAFETY STRATEGIC PLAN



COMMUNICATIONS



METRICS



TRAINING



POLICIES, PROCEDURES
AND PROCESSES



REWARDS AND
RECOGNITION



LEADERSHIP



FLEET SAFETY

Darling Ingredients employees spent ~70,000 hours
in safety training in 2021 in North America.

SITE-LEVEL HEALTH AND SAFETY IMPROVEMENT PLANS

In 2021, we encouraged Darling Ingredients health and safety managers in North America to develop site-specific improvement plans. The following are examples of the changes made at specific facilities, all based on feedback from employees at the sites.

TACOMA, WA

Implemented briefings and debriefings at the beginning and end of each shift to increase safety awareness and communication.

RAVENNA, NE

Designed and installed a table that allows workers to handle frozen blocks safely with reduced ergonomic hazards.

• BOISE, ID

• DALLAS, TX

Translated safety training documents and quizzes into a regional Spanish dialect with which employees are more familiar.

HOLDEN, LA

Provided drivers with a Driver Safety Memo every Monday to raise employee awareness of accidents that occurred across the company and preventative measures.

• SIOUX CITY, IA

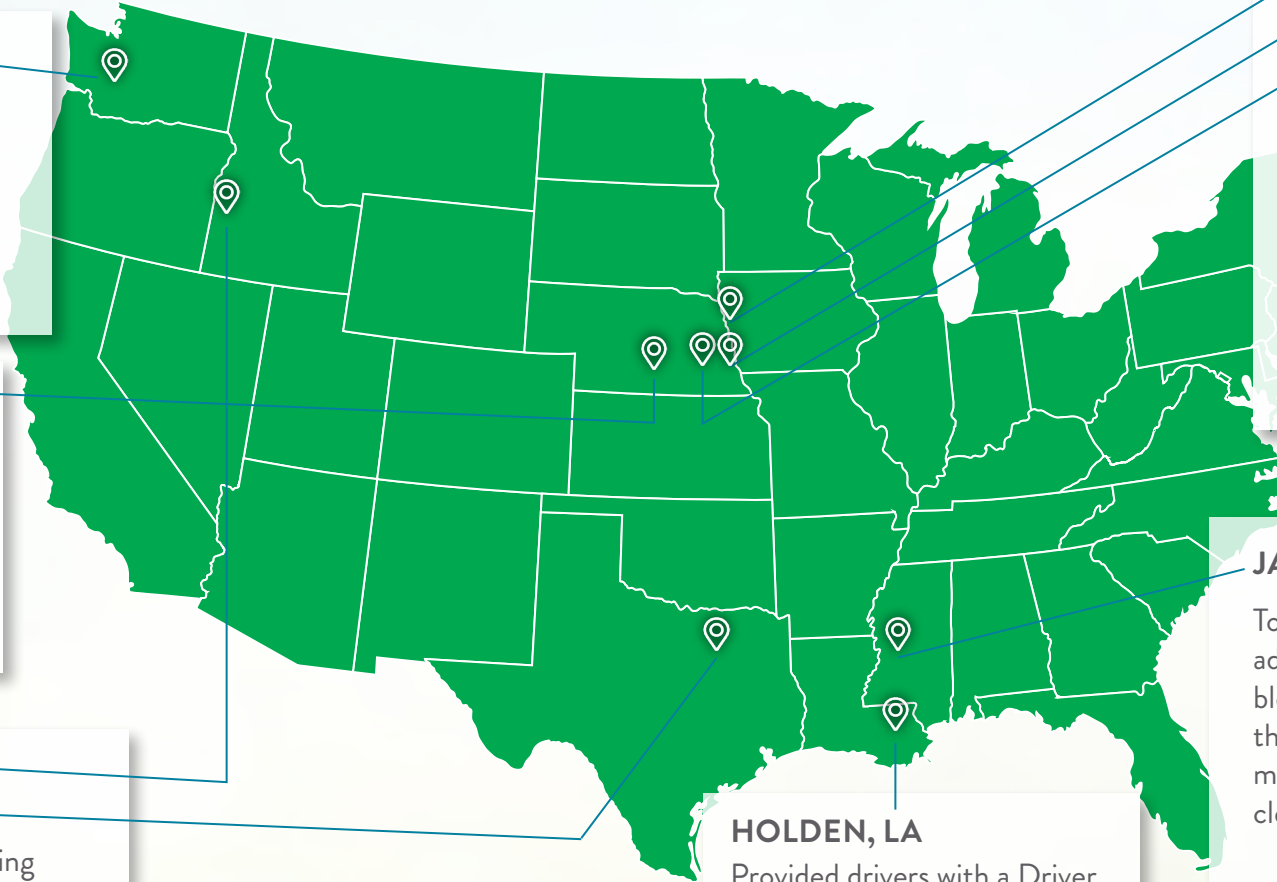
• BELLEVUE, NE

• WAHOO, NE

Installed a stop-and-go light system in raw material bays to reduce the number of workers in high-traffic areas and minimize the potential for collisions.

JACKSON, MS

To improve worker sanitation, added an OSHA-compliant blower system that's safer than compressed air and more effective for worker clean-downs and dedusting.



Safety Day in Sonac Usnice, Poland

Darling Ingredients' Sonac Usnice facility in Poland organized a Safety Day in June 2021 and invited employees to learn more about safety by participating in fun and interactive games and quizzes. The local fire brigade gave instructions on extinguishing fires, applying first aid and using an automated external defibrillator (AED), and employees who successfully extinguished fires were celebrated.

LIFE SAVING RULES

Our Life Saving Rules program educates employees on health and safety risks in our workplace with a curriculum built around eight rules that identify employee risks, outline control measures to mitigate those risks and describe best practices to ensure everyone goes home safe, every day. We do our best to equip our employees with the knowledge and training they need to approach every situation with safety in mind. Our Life Saving Rules training program has been rolled out globally to employees, along with monthly Life Saving Rules awareness sessions conducted by each location's supervisor.

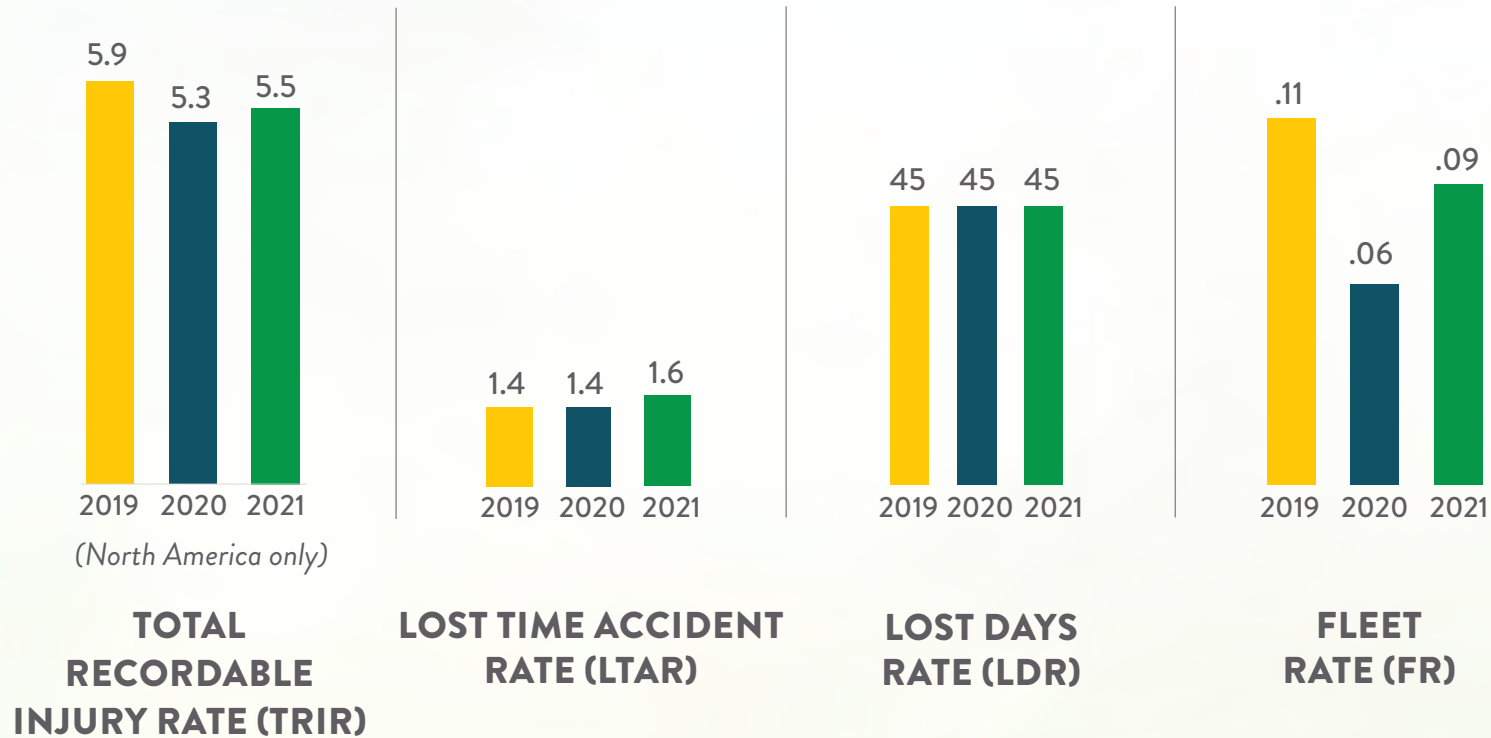
KEEP IT SAFE, RESPECT OUR LIFE SAVING RULES

- **Work with a valid Work Permit**
- **Never enter a confined space without authorization**
- **Only work on isolated equipment (apply LOTOTO)**
- **Obtain authorization before overriding or disabling safety critical equipment**
- **Protect yourself against a fall when working at height**
- **Do not walk under a crane or suspended load**
- **No drugs and alcohol
Only smoke in designated areas**
- **Be aware of powered vehicles**

SAFETY OBJECTIVES AND RESULTS

The company's Chief Administrative Officer meets on a quarterly basis with H&S leadership from around the world to discuss results and best practices and to share updates to goals and objectives. The Board of Directors receives regular safety updates, and a monthly safety report detailing recordable cases, lost time cases and injuries is distributed to all leaders for review and discussion.

Darling Ingredients measures our internal safety performance against four industry-standard criteria: Total Recordable Injury Rate (TRIR), Lost Time Accident Rate (LTAR), Lost Days Rate (LDR) and Fleet Rate (FR). Demonstrating our commitment to improve in these areas, we have linked performance on H&S KPIs directly to executive strategic, operational and personal objectives.



EMPLOYEE TRAINING AND DEVELOPMENT

As part of our talent attraction and retention strategy, Darling Ingredients supports employee development through access to ongoing internal and external training opportunities. We want our people to see our organization as a great place to learn and grow, and that we put training programs in place that equip them with the skills and experience needed for internal promotion.

2021 people development highlights

- **Performance targets and reviews.** All employees in management roles work closely with their supervisors to set annual personal objectives and formulate development plans. They receive feedback on their performance through regular performance reviews.
- **Virtual training.** During 2021, we offered virtual training for employees on safety, compliance and accounting systems.
- **Leadership development.** The company offers three longstanding, multi-day programs aimed at further developing skills and expertise among high-potential future company leaders. In 2021, we shifted the Darling Leadership Academy and Darling University to virtual delivery, but COVID restrictions prevented us from offering Darling Involve International Leadership Training. The program will restart in 2022.
- **Leadership development for women.** The company sponsored several women to participate in the 2021 Xavier Women's Leadership Program, a 10-month program with monthly full-day learning sessions facilitated by industry leaders and experienced practitioners. The certification focuses on helping participants develop skills in personal authentic leadership, business acumen, communication, personal branding and innovation.
- **Tuition reimbursement.** Employees pursuing continuing education or a university degree are eligible to enroll in our tuition reimbursement program.
- **Internal promotion.** We post all open positions internally. Our leadership development programs are designed to provide employees with the skills and experience necessary to advance internally.
- **Building our talent pipeline.** Darling Ingredients continues to provide

co-op placements and internships, giving students practical, on-the-job work experience to kickstart their careers. In 2021, four students were placed into Health & Safety, environmental management or production education roles at our locations in Winnipeg and Moorefield. All students assisted in various areas ranging from the creation of monthly safety training and program requirements, to the smooth rollout of eCompliance management software and H&S orientation. These programs help increase our visibility as a career option with local schools and provide us with a pipeline of early-career talent.



INVESTING IN OUR LEADERS

Darling Ingredients recognizes that the success of our company is linked to our people. Investing in leadership development gives us a competitive advantage, models optimal leadership behaviors and actions, and helps sets the tone of our work culture. In addition to our Darling Leadership Academy, Darling University and the Darling Involve International Leadership programs, we invest in numerous training opportunities for employees to grow in their careers and develop their leadership skills, including:

- **Foundations of Business Leadership Program.** Builds self-awareness and helps team members identify their leadership style, learn ways to manage their time and avoid burnout, and develop their leadership action plan.
- **Everything DiSC Management Profile.** Optional one-hour coaching for employees on their DiSC (dominance, influence, steadiness, conscientiousness) profile, providing insights into their personal strengths and challenges as a manager.
- **Finance for Non-financial Managers.** Builds the financial literacy of our employees by equipping them with the language and tools to understand and interpret financial statements and key performance metrics.
- **Leading Sustainable Change and Effective Decision Making.** Builds employees' change competency and adaptability.
- **Leadership in Today's Global Economy.** Explores the global mindset, how cultures must be considered when thinking globally and the five essential skills for inclusive leadership.
- **Skills for the Frontline Supervisor.** Covers techniques to develop, coordinate, communicate, facilitate and monitor performance.
- **Building Effective Teams.** Trains employees on how to build, participate in and lead teams more effectively to improve the way they make collective decisions.
- **Communicating for Maximum Impact.** Covers effective communication styles, listening skills, conflict resolution and how to deliver information to customers to meet expectations.



DIVERSITY, EQUITY AND INCLUSION

Darling Ingredients strongly believes that an inclusive workforce comprising diverse perspectives and experiences leads to greater business success and resiliency. We're working to increase engagement with underrepresented groups in our recruitment, hiring and people development strategies to ensure all employees have access to the same opportunities and feel they can bring their authentic selves to work each day.

Our Code of Conduct includes commitments to non-discrimination, anti-harassment and human rights. In early 2021, we launched a formal Human Rights Policy aligned with the United Nations' Universal Declaration of Human Rights and other internationally accepted standards.

Globally, we make all decisions around recruiting, evaluation of qualified applicants, hiring, training, promotion and other employment-related matters regardless of race, color, religion, sex, sexual orientation, gender identity, national origin, disability, age, veteran status or other legally protected characteristics.

In the U.S., we offer all senior leadership and management staff training sessions related to Affirmative Action Plans (AAP) and Equal Employment Opportunity (EEO). In addition,

our annual Darling University and Darling Leadership Academy programs for selected management attendees covers inclusion topics. Our HR Department and Director of EEO Compliance manage these activities; ensure our job postings are shared with job boards targeted toward women, veterans, minorities and the disabled; and conduct outreach activities to protected groups near each of our operations.

Despite operating in an industry dominated by men and with a workforce that's more than 86% male, the company recognizes the importance of supporting the career growth of women in leadership. We're actively working to increase representation of women across the company and in 2021 saw an increase in women in senior management roles—including the promotion of Sandra Dudley to Executive Vice President,

Renewables and U.S. Specialty Products, the first woman named to an EVP-level role at Darling Ingredients.

For the third year in a row, Darling Ingredients was recognized by the Women's Forum of New York as a corporate champion for promoting women's leadership in the boardroom, with 40% women representation on our Board of Directors.

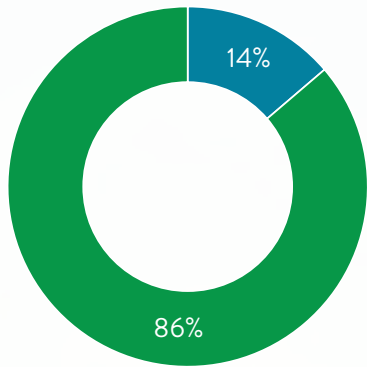
We continue to work toward training the next generation of women leaders, and in 2021, we sponsored several women to attend the Xavier Women's Leadership Program to show our commitment to their personal and professional development. While we are proud of our efforts, we recognize we have more work to do to increase racial, ethnic and gender diversity in our workforce.

DIVERSITY, EQUITY AND INCLUSION

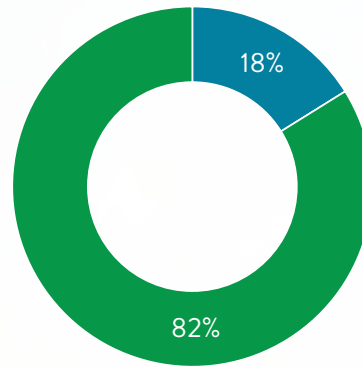
Workforce Diversity Snapshot

The diversity data below is shared through voluntary self-reporting.

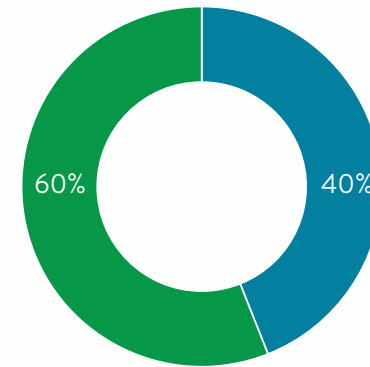
**Workforce Gender Diversity
(North America only)**



**Senior Management
Gender Diversity**



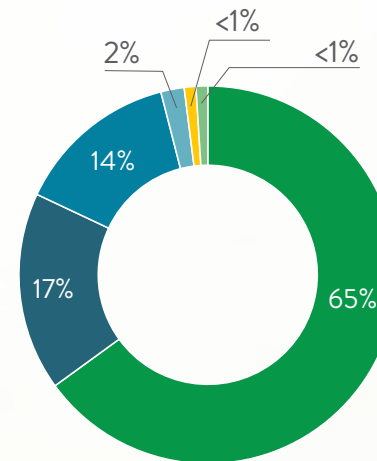
**Board of Directors
Gender Diversity**



● Men
● Women

Total Workforce (U.S. only)

- White
- Hispanic or Latino of Any Race
- Black or African American
- Asian
- American Indian or Alaska Native
- Two or More Races



COMMUNITY ENGAGEMENT AND INVESTMENT

We are passionate about supporting the communities where we live, work and play. Our operations are empowered to be involved in their local communities and give back through contributions, sponsorships and volunteerism. The Darling Cares Council, formed in early 2021, focuses on supporting initiatives planned and led by our exceptional employees. We also collaborate with suppliers, customers and vendors to maximize community impact and look to align our investments with non-profits working to advance community-level environmental, health, educational and cultural goals. As needed, we contribute to support communities impacted by disasters.

2021 community engagement highlights:

- **“Focus on the Farm” Fall Festival.** Team members in Berlin, WI, volunteered their time at a local festival that educates consumers on modern agricultural practices and raises scholarship funds for students pursuing college degrees in agriculture in Green Lake County.
- **Hometown Walk of Hope.** Employees from our plant in Union City, TN, took part in the Hometown Walk of Hope fundraiser, raising over \$7,000 for Obion County cancer patients. The Darling Ingredients team built a branded cut-out for their food truck and won first place for best food truck and team spirit.



COMMUNITY ENGAGEMENT AND INVESTMENT

- **Dubuque Rescue Mission.** Every year in Iowa, the company provides beef tenderloins to the Dubuque Rescue Mission, supporting its work of offering hospitality, spiritual hope, food, shelter, clothing and job development to those in need. In fall 2021, we had the opportunity to extend our impact after receiving a misdelivered pallet of raw pork tenderloins from one of our suppliers. We repackaged over 600 pounds of meat and delivered it to the mission, filling its freezers with enough meat for more than 1,500 meals.
- **Chicago Parks District.** As of June 2021, we collected and donated over 90,000 gallons of used cooking oil from Chicago eateries, including Arby's, Buffalo Wild Wings and The Wendy's Company. Darling Ingredients donation of this key raw material is vital for the production of biodiesel that powers Chicago Parks District dump trucks, snowplows and landscaping equipment.
- **Carter BloodCare.** In Irving, TX, nearly 40 team members participated in a blood drive, donating 36 pints of blood—enough to save 100 lives.
- **Ukrainian Krakow 5 group.** Darling Ingredients assisted on-the-ground humanitarian efforts in Ukraine through a donation to Krakow 5, a group of five friends who purchase and help distribute I-FAKs (Individual First Aid Kits) to Ukraine's armed forces.



Supporting students in science, business and agriculture

By reinforcing connections between students and our organization, we offer young people the opportunity to learn more about the workforce and our industry to support their professional integration.

COMMUNITY ENGAGEMENT AND INVESTMENT

Future Farmers of America

For the third year in a row, Darling Ingredients donated over \$200,000 to fund scholarships and Supervised Agricultural Experience Grants through Future Farmers of America (FFA), a youth organization preparing members for leadership and careers in the science, business and technology of agriculture. We also partner with FFA to develop the accomplishment-based criteria used to select scholarship and grant winners. These criteria include grade point average, agricultural career pathway, and demonstration of entrepreneurial spirit through a project description. As an example, the criteria for one \$10,000 National FFA scholarship takes a holistic view of a student's accomplishments, including their FFA involvement, work experience, supervised agricultural experience, community service, leadership skills and academics. In 2021, we were pleased to present eleven \$10,000 FFA scholarships to high school seniors and college students with financial needs and strong academic performance in pursuit of degrees in the FFA's "Power, Structural and Technical Systems" pathway, which includes agricultural engineer, diesel technician and other careers.



At the beginning of 2021, Darling Ingredients' Director of Technical Services joined the National FFA Sponsors' Board, which comprises leaders from business and industry. Sponsors' Board members are integral in helping the National FFA Foundation strengthen and develop partnerships across business, industry and other organizations.

COMMUNITY ENGAGEMENT AND INVESTMENT

University of Girona in Girona, Spain

Our Girona plant has regularly offered scholarships, donations, internships and support to students at the University of Girona. Every year, we also play a role in the selection process for awarding the best dissertation or thesis prizes.

Dubuque High School in Dubuque, IA

Every year, employees representing various departments at our Dubuque plant take time to advise high school students on business-related topics. Promoting education is a key part of supporting those that live near our sites, and an essential part of how we envision a sustainable world.

“I did a Rousselot internship in 2007. Now, I’m an Operations Manager at the company. I learned so much during my internship, and it was my first contact with the industry.”

— Carlos Perez,
Operations Manager, Rousselot

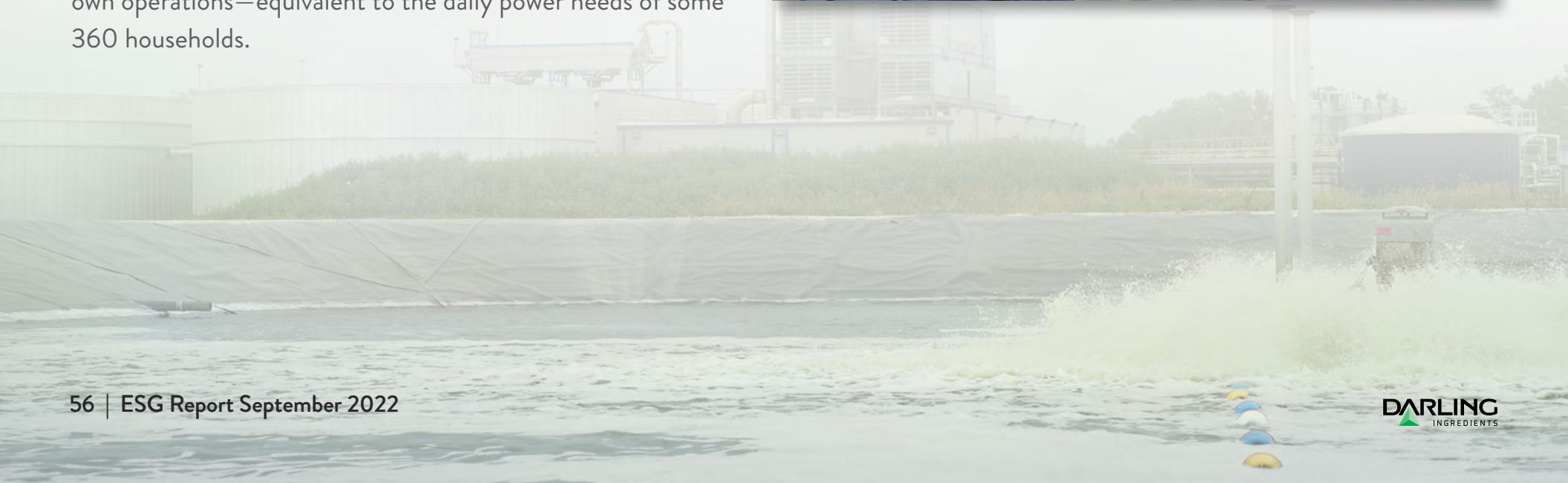
“ I owe a very large debt to FFA. My experiences in high school helped to prepare me for my future career. FFA exposed me to practical, hands-on livestock production and mechanical systems, as well as principles of leadership and public speaking. I have used these skills throughout my professional career in livestock production and animal byproduct rendering—skills that were introduced, honed and employed in high school before my university education. Now that I am in a position to hire new employees, I look for those same skills offered to FFA members in their agriculture education classrooms. I know that these young people have valuable skills that can be immediately put to use at Darling Ingredients. ”

—J. Kerry Courchaine, Director of Technical Services, Quality Assurance Product Safety Team

COMMUNITY ENGAGEMENT AND INVESTMENT

Supporting community waste-to-energy projects

In addition to applying circular thinking in our own business model, we support community efforts to apply sustainability principles. In 2016, the City of Dubuque, Iowa, completed a \$70 million facility upgrade that added anaerobic digestors to its municipal waste treatment plant. Darling Ingredients' Rousselot Dubuque gelatin manufacturing plant was one of the first manufacturers to provide high-strength organic waste for the digestors. We now send approximately 500 truckloads of organic waste to the plant annually, reducing our treatment and disposal costs by 50% for a total savings to-date of more than \$1.25 million. In 2021, Dubuque's waste treatment facility produced roughly 70% of the electricity needed for its own operations—equivalent to the daily power needs of some 360 households.



KEY SOCIAL METRICS

Topic	Key Performance Indicator	2019	2020	2021
Diversity & Inclusion				
Gender Diversity¹	Females in North America workforce (%)	12%	13%	14%
	Males in North America workforce (%)	88%	87%	86%
	Females in global senior management roles (%) ⁵	—	16%	18%
Ethnic Diversity² (Total U.S. workforce)	White (%)	66%	66%	65%
	Hispanic or Latino of any race (%)	17%	17%	17%
	Black or African American (%)	14%	13%	14%
	Asian (%)	2%	2%	2%
	American Indian or Alaska Native (%)	1%	1%	<1%
	Native Hawaiian or other Pacific Islander (%)	1%	1%	1%
	Two or more races (%)	1%	1%	<1%
Employee Training & Development				
Performance Reviews and Feedback	Employees receiving regular performance and career development reviews (%)	100%	100%	100%
Leadership Development³	Leadership development training (total hours)	3,008	0	1,860
	Leadership development training (total participants)	84	0	93
	Female participants in leadership training (%)	29%	0%	25%
Turnover⁴				
	Voluntary turnover (4%)	18%	13%	18%

KEY SOCIAL METRICS

Topic	Key Performance Indicator	2019	2020	2021
Employee Health & Safety				
H&S Management System⁶	Workers covered by an occupational health and safety management and training system (%)	100%	100%	100%
Total Recordable Injury Rate (TRIR)⁷	TRIR annual goal ⁸	6.4	6.2	5.4
	TRIR performance (North America only)	5.9	5.3	5.5
Fatalities	Work-related fatalities	3	4	1
Lost Time Accident (LTA) Rate	LTAR annual goal	2.0	2.0	1.3
	LTAR performance	1.4	1.4	1.6
Lost Days Rate (LDR)	LDR annual goal	46	46	46
	LDR performance	45	45	45
Fleet Rate (FR)	FR annual goal	.07	.08	.08
	FR performance ⁹	.11	.06	.09

1. Gender data is collected in North America only.

2. Ethnicity data is collected in the U.S. only.

3. Leadership development training data includes annual enrollment for Darling University, Darling Leadership Academy and Darling Involve International Leadership Training and does not include hours managers spend in shorter training offerings to build their leadership skills. Note that in 2020 we did not run our leadership trainings due to COVID-19 restrictions. In 2021 we shifted to virtual delivery for the Darling Leadership Academy and Darling University. We were unable to run the Darling Involve International Leadership Training in 2021 due to ongoing COVID restrictions but have plans to restart the program in 2022.

4. We adjusted our turnover reporting methodology in 2020. In 2019, we reported on U.S. turnover only. Our 2020 and 2021 data includes data from across our global operations.

5. Senior Management roles include the following levels or titles: U.S. Region Controller, International Controller, Systems Controller, Director, Vice President, Sr. Vice President, Executive Vice President.

6. Systems include the company's Injury and Illness Prevention Program for North America and our Safety Management System at all our international sites (which includes contracted employees).

7. TRIR is only recorded in North America. Performance includes all full-time (FT) and part-time (PT) employees.

8. Annual H&S goals are based on industry average and prior year's performance. All plant employees are required to participate in annual H&S training.

9. Fleet rate (FR) calculation is based on the number of on-road accidents per 100,000 miles.

GOVERNANCE AND ETHICS

CORPORATE GOVERNANCE

Maintaining transparent governance practices and comprehensive, robust ethics and compliance guidelines allows us to better deliver on our mission. When we put good fundamentals in place and operate with integrity, honesty and a commitment to doing what is right, we can focus on our purpose of repurposing and operating a circular business.

Upholding high ethical standards also helps us build trust with our investors, suppliers and business partners, and maintain the respect of our employees and communities. Our corporate governance is anchored at the Board level through vigilant and proactive oversight of strategic, operational, financial/reporting, reputational, compliance and ESG risks. The Board believes sustainability benefits the company's stakeholders and drives long-term value creation. As such, the Board is actively engaged in overseeing our company's

sustainability practices and works alongside senior management to ensure focus on these topics. To assist with oversight, the Board established a new, stand-alone ESG Committee in November 2021.

In selecting new directors, the Board considers and fully appreciates the value of a diversity of viewpoints, background and experiences, including age, gender, race and ethnicity. As part of the nomination process, our Nominating and Corporate Governance Committee is responsible for periodically reviewing with the Board the appropriate skills and characteristics required of directors in the context of the current Board composition. This assessment includes issues of judgment, diversity, experience and skills. In evaluating prospective nominees, including nominees recommended by stockholders, the Nominating and Corporate Governance Committee looks for the following minimum qualifications, qualities and skills:

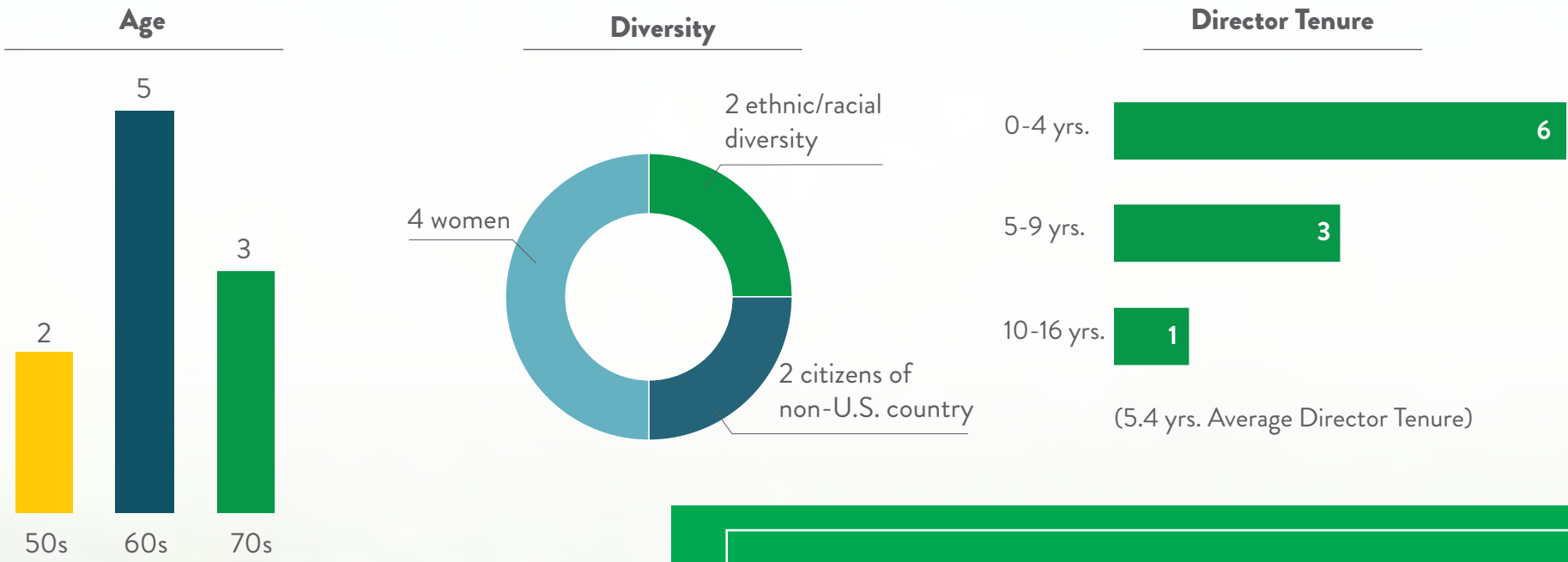
- Highest personal and professional ethics, integrity and values;
- Outstanding achievement in the individual's personal career;
- Breadth of experience;
- Ability to make independent, analytical inquiries;
- Ability to contribute to a diversity of viewpoints among Board members;
- Willingness and ability to devote the time required to perform Board activities adequately (in this regard, the committee considers the number of other boards of directors on which the individual serves); and
- Ability to represent the total corporate interests of our company (a director will not be selected to, nor will he or she be expected to, represent the interests of any particular group).

CORPORATE GOVERNANCE

We believe our directors exhibit an effective mix of skills, experience and fresh perspective, as 60% of our directors have served on the Board for less than five years. In 2021, 40% of our Board members were female—which is notable for our industry—and we maintain a strongly independent Board, with 90% of directors being independent.

Further description of our commitment to strong Board governance, including structure and composition, stockholder engagement, director biographies and oversight of risk management, is available in our [2022 Proxy Statement](#).

BOARD COMPOSITION



For the third consecutive year, Darling Ingredients was honored by the Women’s Forum of New York as a corporate champion for promoting women’s leadership in the boardroom, with 40% women’s representation on our Board of Directors.

DIVERSE SKILLS, EXPERIENCES AND QUALIFICATIONS

Our Board of Directors is elected based on their diverse set of skills and experiences. Each director brings his or her own unique background and range of expertise, knowledge and experience which provides an appropriate and diverse mix of qualifications necessary for our Board to effectively fulfill its oversight responsibilities. Fifty percent (50%) of our Board is ethnically, racially or gender diverse. This high-level summary is not intended to be an exhaustive list of each director nominee’s contributions to the Board.

Attributes/Experiences	Adair	Albright	Clark	Goodspeed	Guimaraes	Kloosterboer	Korby	Mize	Rescoe	Stuewe
Senior Executive Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Other Public Company Board Service	✓		✓	✓	✓			✓	✓	✓
Financial/Accounting	✓			✓	✓			✓	✓	
Strategy/Business Development/M&A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Global/International Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Governance		✓	✓	✓	✓	✓	✓	✓	✓	✓
Sustainability and ESG	✓		✓		✓	✓			✓	✓
Technology/Cyber				✓	✓				✓	
Demographic Background										
African American or Black			✓							
Hispanic					✓					
White	✓	✓		✓		✓	✓	✓	✓	✓
Gender										
Female		✓	✓	✓			✓			
Male	✓				✓	✓		✓	✓	✓

BUSINESS ETHICS

Business ethics, integrity and compliance are part of the foundation of Darling Ingredients' success and ongoing growth. We strive to conduct business in accordance with applicable laws and regulations of the jurisdictions in which we operate. Our Code of Conduct emphasizes our values and defines our expectations for ethical behavior by our employees, officers and non-employee directors.

Reinforcement of our Code is provided through policies and our online training, which is targeted to Darling Ingredients employees on topics including, but not limited to, the Foreign Corrupt Practices Act (FCPA), anti-money laundering, antitrust and competition, conflicts of interest and privacy. All Darling Ingredients employees are required to complete our Code of Conduct training annually. In 2021, the company's Corporate Compliance Department rolled out more than 14,000 training courses to our global workforce. All courses have mandatory tests to ensure comprehension of content.

We promote ethical behavior and maintain an open-door approach. When employees are in doubt about the best course of action in any situation, we encourage them to speak with supervisors, human resources, our Chief Compliance Officer or our anonymous hotline managed by an independent, external third party. Darling Ingredients does not tolerate any form of retaliation for filing a complaint in good faith or for providing information for an investigation.

We are committed to operating responsibly and abide by our own global policies, which include:

- Animal Health and Welfare Policy Statement
- Code of Conduct
- Conflict of Interest Policy
- Foreign Corrupt Practices Act Policy
- Global Environment, Health & Safety (EHS) Policy
- Global Product Safety & Quality Policy Statement
- Global Human Rights Policy
- Global Privacy Policy
- Global Water Policy
- Related Party Transactions Policy
- Supplier Code of Conduct

The company's Corporate Compliance Department tracks and reports allegations reported through our anonymous hotline to the Audit Committee of the Board of Directors.

SUSTAINABLE SUPPLY CHAINS

We take pride in building and maintaining long-term relationships with suppliers that share our values and high-level operating standards. This means that in addition to providing the highest quality materials or services, it is essential that our suppliers operate in a way that supports our commitment to maintaining the highest ethical standards. Our [Supplier Code of Conduct](#) outlines our principles and standards for our suppliers in the following areas:

- Labor and human rights;
- Safety and health;
- Product safety and quality;
- Environmental stewardship;
- Business ethics and integrity;
- Animal welfare;
- Sustainability;
- Confidentiality and privacy; and
- Monitoring and compliance.

These principles and standards are an important part of our supplier evaluation and selection process. We expect our suppliers to recognize and respect all principles and standards detailed in our Supplier Code of Conduct and our Human Rights Policy, both of which are aligned with the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights for Work.

DATA SECURITY

With cyberattacks increasing in frequency year-over-year across industries, Darling Ingredients is committed to investing in people, policies, processes and technology to support digital security, privacy and resilience and to maintain the trust and confidence of our stakeholders. To effectively prevent, detect and respond to potential information security threats, our company has a dedicated Director of Global Cybersecurity whose IT Compliance Team is responsible for leading enterprise-wide security strategy, policy, standards, architecture and processes. The Board receives regular reports from the Chief Administrative Officer and Chief Information Officer on our company's cyber risks and vulnerabilities, the status of projects to strengthen our information security systems, assessments of the company's cybersecurity program, emerging threats in this area and more.

Our attention to cybersecurity starts with policies and practices governing enterprise-wide security controls. Our policies and procedures are assessed regularly by our internal auditors' third-party consultants. Incidents are handled according to the procedures established in our Computer Incident Response Plan. Global cybersecurity undergoes annual reviews by both external and internal audit teams, with results reported to the Board.

Through awareness and education, we work to assure every employee understands their role in the security and privacy equation. Security for all Darling Ingredients-managed devices reflects guidance adopted by NIST, ISO and other organizations, including mandatory software updates and multifactor authentication (MFA) to help protect employees and the company from ransomware and other cybersecurity threats. We actively promote a culture of cyber-awareness with our employees, suppliers and customers through annual Cybersecurity Computer-Based Training (CBT) and provide regular campaigns to reinforce their understanding and awareness of phishing scams.

Employees are also required to annually acknowledge receipt of Darling Ingredients' Information Security Policy for End Users. The Global Cybersecurity team posts regular security-related articles on Darling Connect, the app we use to share ESG information and updates with employees. Our Board of Directors receives annual special training and multiple briefings on current threats and industry intelligence, conducted by internal and third-party subject matter experts.

In September 2021, over 30 senior executives from our Americas leadership participated in a first-of-its-kind cyber-warfare tabletop exercise to assess our readiness against a ransomware attack. The cross-functional exercise included IT, Operations and all corporate support departments.

In January 2022, Darling Ingredients' cyber governance program scored 780 in an assessment by cybersecurity performance rating company Bitsight. This score puts us in the **top 10%** of the Energy/Resource Industry. Our score increased from 690 in October 2021, demonstrating our commitment to improving security performance.

CUSTOMER PRIVACY

Privacy and data security are among our primary concerns, and we handle any personal data that customers, suppliers or employees provide with the utmost care.

Darling Ingredients observes a strict duty of confidentiality in the use of personal information and adheres to a set of data privacy principles documented in our Privacy Policy, which is reviewed against changes in our environment and updated when changes occur. We have taken appropriate technical and organizational security measures to ensure the security, integrity and privacy of all personal information collected, and to protect personal data against loss, misuse, alteration and/or destruction. We ensure compliance with the requirements of the General Data Protection Regulation (GDPR), Brazilian General Data Protection Law (LGPD) and the California Consumer Privacy Act (CCPA).

Darling Ingredients does not sell personal information to third parties for marketing, advertising or other commercial purposes. Employees are encouraged to reach out to the Chief Compliance Officer directly whenever they have questions, and customers are encouraged to contact us with any questions about our Privacy Policy at privacy@darlingii.com.



PRODUCT QUALITY AND SAFETY CULTURE

At Darling Ingredients, product quality and safety are a non-negotiable commitment to the company's value proposition, and our customers expect that we meet high standards. We are delivering sustainable, functional and wholesome ingredients. The commitment starts with the responsible collection of raw materials in order to upcycle and ultimately deliver best in class pharma, food and feed ingredients. We work to realize these commitments through our core values of integrity, transparency and entrepreneurship.

Along with Darling Ingredients' pledge to product quality and safety, we invest in technologies, infrastructure and resources to meet the demands, opportunities and future needs of our customers and regulatory authorities. This includes education and trainings, policy and product reviews, deep dives with suppliers and customers, and seeking new ways to continuously improve.

We sought excellence in food quality and safety through the following trainings and activities in 2021:

- Preventive Control Qualified Individual certification (PCQI);
- Monitoring equipment calibration;

- Corrective and Preventive Actions (CAPAs);
- Product Safety Assessments (HARPC/HACCP);
- Program Compliance – sampling, chemical screenings, species identification, nutritional performance; and
- Record keeping.

Our Technical Service and Quality Teams schedule and routinely monitor product safety performance as outlined by programs and policies which are held accountable by third-party certification and internal review. The team creates and sustains a culture where the factories see product quality and product safety programs as everyone's responsibility, not just the quality team. Furthermore, we encourage customer audits and reviews to identify areas of improvement. Within the system, all sites and businesses have continuity, recall, animal disease and extreme weather plans that uniquely support each facility or region.

Product Quality and Safety Actions

Darling's Technical Services and Quality teams understand we must meet high expectations around providing consistent, qualified and safe product for commerce. We work in concert with

our Operations, Procurement and Sales teams to drive and support programs and actions that will render sustainable results. In the event there is a non-conformance resulting from customer complaints or audits, teams systematically investigate for cause, study the process, install counter measures and document and communicate resolution.

Non-conformance events can serve as educational opportunities for personnel and assess the strength of our checks and balances. In such settings, these events usually affirm that our programs are working and stimulate a continued confidence customers expect with Darling Ingredients. Our Technical Services and Quality teams track and review opportunities to improve through audits.



PRODUCT QUALITY AND SAFETY CULTURE

In 2021, Darling Ingredients was subject to 823 audits.

- 14.8% were by customers;
- 19.9% were by Regulatory officials (local, state, and federal/national);
- 21.7% were third party audit or renewals for certifications; and
- 43.5% were conducted internally for compliance.

We incorporate feedback from audits to adopt best practices for safe food and feed in our production facilities, going beyond regulatory requirements. Darling Ingredients strives to set its quality benchmarks greater than those regulating our process and products. We set minimum internal standards based on market and customer requirements and certify locations at higher food and feed safety and quality standards. With dynamic product safety programs and plans, we encourage our teams and facilities to produce according to the latest food or feed safety and quality standards.

Product Quality and Safety Results

Adopting the Global Food Safety Initiative (GSFI), Darling Ingredients joined many other producers to improve food safety through the supply chain and ensure confidence in the delivery of safer food to consumers and their pets. The initiative addresses food/feed, packaging materials, storage and distribution for primary producers, and manufacturers and distributors. Darling Ingredients has been working toward these best-practice standards to demonstrate our commitment to food safety to our customers. As a result, many of the facilities, whether certified or recertified, have achieved the following certifications:

- Almost all (human) food-producing facilities within Darling Ingredients have certificates for the GFSI-recognized systems FSSC22000, IFS or BRC.
- US-based Darling Ingredients locations are audited to minimum of the Safe Feed Safe Food Standard of FSC36, with five renderings, one-protein refining, and three wet-pet food operations having achieved the GSFI-benchmarked FSC32 standard.
- Locations outside of North America were audited to the GMP+ standard (or similar), so products can be used by feed producers in Europe.

Embedding a quality mindset at our Rousselot operations

Rousselot operates according to the highest global quality, product safety and sustainability standards. On May 20, 2021, Rousselot organized a global Quality Mindset day to further increase awareness of quality and product safety. Training included Quality Mindset, and employees were encouraged to submit improvement suggestions for the business. The broader quality and product safety program focuses on continuous improvement through training, communication and the sharing of best practices across the globe. Program success is measured by using KPI's, including On-Time Delivery, Right First Time and Customer Complaints.

KEY GOVERNANCE METRICS

Topic	Key Performance Indicator	2019	2020	2021
Ethics				
Ethics	Employees with access to 24/7 confidential, independent hotline for reporting concerns or asking questions about our Code of Conduct and respective policies (%) ¹	100%	100%	100%
Governance				
Compensation	Say on pay (% votes cast in favor of advisory vote to approve executive compensation)	97.7%	98.2%	95.4%
	Compensation recoupment (clawback) policy	Yes	Yes	Yes
	Integration of ESG performance metrics in executive compensation	Yes	Yes	Yes
Board Election Frequency	Annual election of directors	Yes	Yes	Yes
Board Leadership	Independent chair	No	No	No
	Independent lead director	Yes	Yes	Yes
Board Composition – Tenure	Average tenure of members of the Board of Directors (years)	5.0	5.5	5.4
Board Composition – Independence	Independent directors (%)	82%	92%	90%
Board Skills	Directors with risk expertise (%) ²	100%	100%	100%
	Directors with financial expertise (%)	55%	42%	50%

1. We have different toll-free hotlines available in each country of operation.

2. Each of our directors has extensive risk management experience, having held senior executive positions in their respective industries.

KEY GOVERNANCE METRICS

Topic	Key Performance Indicator	2019	2020	2021
Governance				
Gender Diversity in Governance Bodies	Women in officer roles (%) ³	13%	13%	14%
	Women on the Board (%)	36%	40%	40%
Ethnic Diversity in Governance Bodies	Diverse directors on the Board (%) ⁴	—	—	20%
Compliance				
Compliance	Non-compliance with laws and regulations in the social and economic area (#)	0	0	0
Cybersecurity				
Data Breaches	Identified leaks, thefts or losses of customer data (#)	0	0	0
Food/Feed Safety				
Food/Feed Safety⁵	Food-grade facilities reaching highest achievable certification (%) ⁶	92.3%	96.2%	96.2%
	Feed-grade facilities reaching highest achievable certification (%) ⁶	—	65.6%	67.4%
	Compliance rates derived from customer complaints (%)	99.15%	99.30%	99.39%

3. Officer roles include Executive Vice President (EVP), Senior Vice President (SVP) and Vice President (VP) levels. The total number of officer roles was 30 in 2019, 30 in 2020, and 28 in 2021.

4. We began surveying Board members in 2021, asking directors to self-identify through Nasdaq Survey, with the following categories: Asian, Hispanic/Latino, African American/Black, Two or More Races (Not Hispanic or Latino), American Indian or Alaska Native, and Native Hawaiian/Other Pacific Islander.

5. We adjusted our methodology for reporting on food/feed safety metrics based on feedback from S&P. In 2019, we reported the total number of all food and feed facilities carrying the highest attainable level of standard. We now report on two separate metrics, one specifically focused on food processing facilities and one focused on feed processing facilities, reaching the highest attainable certification.

6. All production locations manufacture products with regulatory approval of the competent authority and in compliance with all applicable federal and local regulations. Darling Ingredients goes above and beyond these government regulations. We set minimum internal standards based on market and customer requirements and certify locations at higher food and feed safety and quality standards. The aim is to make sure our locations always produce according to the latest food or feed safety and quality standards. Locations that have not yet acquired the highest attainable certificate are internally audited against the same standards that apply for their level. All U.S. based Darling Ingredients locations are audited to a minimum of the Safe Feed Safe Food (FSC36) standard, with five rendering locations and one protein refining location adhering to the GFSI-benchmarked FSC34 standard and three wet pet food ingredient locations following the FSC32 GFSI standard. A number of sites are certified and audited to the GFSI-benchmarked FSC34 standard or the GFSI-certified FSC32 standard. Feed-producing locations outside of North America are audited to the GMP+ standard (or similar), a certificate that is required for ingredients used by feed producers in Europe. Almost all (human) food-producing facilities of Darling Ingredients have certificates for the GFSI-recognized systems FSSC22000, IFS or BRC. We must recertify each year through rigorous audits.

APPENDICES

About this report

At Darling Ingredients, we continue making strides to address the most relevant environmental, social and governance (ESG) topics for our business and key stakeholders.

This report covers Darling Ingredients and its joint ventures. Note that this report does not include the acquisition of Group Op de Beeck, Valley Proteins and FASA Group in terms of economic, social or environmental data, due to acquisitions that closed in 2022. Highlights and metrics shared in this report represent our 2021 fiscal year (FY) ending January 1, 2022, and we provide multi-year data when possible. Anomalies in data trends may be representative of the global disruption caused by the COVID-19 pandemic. All financial information is presented in U.S. dollars and on a GAAP basis.

The information provided in this report reflects priority ESG topics for our business as determined by our executive leaders through multiple stakeholder engagements. We have included disclosures from the Sustainability Accounting Standards Board (SASB) Agricultural Products Standard. We also include relevant disclosures from the 2021 Universal Global Reporting Initiative (GRI) Standards, knowing these disclosures are relevant for specific stakeholder audiences. This year, we have disclosed information to align with the Task Force on Climate-Related Financial Disclosures (TCFD), and we will continue to expand our climate reporting in future years. As part of our disclosure efforts, we also report certain environmental data to CDP.

If you have feedback regarding the information provided in this report or our ESG commitments and activities, we would like to hear from you. Please send your comments and suggestions to communication@darlingii.com.

Policies and procedures

This document includes statements regarding various policies, values, standards, approaches, procedures, processes, systems, programs, initiatives, assessments, technologies, practices and similar measures related to our operations and ESG and compliance systems (“policies and procedures”). References to policies and procedures in this document do not represent guarantees or promises about efficacy or continued implementation, or any assurance that such policies and procedures will apply in every case. Such policies and procedures are subject to risks, uncertainties and other factors, some of which are beyond the control of Darling Ingredients and are difficult to predict, and there may be exigent circumstances, factors or considerations that may cause implementation of other measures or exceptions in specific instances. Please see “Forward-looking statements” below.

Forward-looking statements

This report contains “forward-looking” statements that are subject to risks and uncertainties that could cause the actual results of Darling Ingredients Inc. (“the company”) to differ materially from those expressed or implied in the statements. Statements that are not statements of historical facts are forward-looking statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as “estimate,” “project,” “planned,” “contemplate,” “potential,” “possible,” “proposed,” “intend,” “believe,” “anticipate,” “expect,” “may,” “will,” “would,” “should,” “could” and similar

expressions are intended to identify forward-looking statements. Forward-looking statements are based on the company’s current expectations and assumptions regarding its business, the economy and other future conditions.

Forward-looking statements in this document include those relating short- and long-term energy and water targets, expected timing of completion of projects, future safety performance, future operating performance and management of future risks. The company cautions readers that any such forward-looking statements it makes are not guarantees of future performance and that actual results may differ materially from anticipated results or expectations expressed in its forward-looking statements as a result of a variety of factors, including many that are beyond the company’s control. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements contained in the company’s filings with the Securities and Exchange Commission, including the company’s annual reports on Form 10-K, quarterly reports on Form 10-Q and other reports available on the company’s website at darlingii.com.

These risks could cause the actual results, actions, and policies and procedures of the company to differ materially from those contained in any forward-looking statements. The company is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise. Results or metrics in this report as of any date, or for any period, ending on or prior to the date of this report are not necessarily indicative of the results that may be expected as of any date, or for any period, ending after the date of this report.

PRIORITY ESG TOPIC SCOPE AND BOUNDARIES

This table provides additional details on what is included in the scope of each of our priority topics, where they are relevant in our value chain, and their relation to relevant GRI and SASB standard disclosures.

PRIORITY TOPIC	TOPIC SCOPE & BOUNDARIES	RELEVANT GRI & SASB DISCLOSURES
ENVIRONMENTAL TOPICS		
GHG Emissions	Quantify and track direct and indirect carbon footprint and emissions intensity, and regularly update and implement carbon emissions management processes and accountability. Includes initiatives and goals to reduce carbon emissions in our direct operations and across our value chain. Reducing our overall GHG emissions will have a positive impact on the environment and society.	GRI: 305 SASB: FB-AG-110a.1, FB-AG-110a.2, FB-AG-110a.3
Renewable Energy	Renewable energy consumption, procurement and production. Includes goals to increase use of renewable energy sources across our global operations through renewable energy projects and investments. Producing and procuring more renewable energy has positive impacts for companies, reducing their reliance on fossil fuels and improving their carbon footprint.	GRI: 302 SASB: FB-AG-130a.1
Energy	Track energy consumption and procure renewable sources. Develop and implement energy management systems and processes and increase energy and fuel efficiency.	GRI: 302 SASB: FB-AG-130a.1
Water	Track water consumption by water risk and stress regions, and deploy water management systems and processes to mitigate risk. This includes water efficiency and reduction strategies, goals and projects. Mitigating water risks has positive impacts for our business, the communities in our watersheds, and the environment overall.	GRI: 303 SASB: FB-AG-140a.1, FB-AG-140a.2, FB-AG-140a.3

PRIORITY ESG TOPIC SCOPE AND BOUNDARIES

PRIORITY TOPIC	TOPIC SCOPE & BOUNDARIES	RELEVANT GRI & SASB DISCLOSURES
SOCIAL TOPICS		
Employee Health & Safety	Continually improve management systems, policies and programs related to employee health, safety and well-being. Track success of Health & Safety data and efforts to reduce near misses, injuries and fatalities. This focus on safety applies to suppliers and contractors when they are on site. We are committed to mitigating any negative potential impacts on their personal well-being.	GRI: 403 SASB: FB-AG-320a.1
Community Engagement & Investment	Implement programs to engage and support local communities in which Darling Ingredients operates via volunteering, philanthropic activities and supporting key community initiatives and groups. Strategic community investment has positive impacts for both the communities where we live and work and for employees who give of their time and talents.	GRI: 413
Employee Attraction & Retention	Attract and retain talent via strong employee benefits, employee engagement, training and development opportunities and career development planning. Maintaining a reputation as a great place to work is key to our long-term innovation and success.	GRI: 401, 404, 405
Diversity & Inclusion	Apply a diversity and equity lens (gender, racial, etc.) across the workplace via equitable recruitment and hiring, equal opportunity in promotion and development opportunities, human rights and non-discrimination policies and practices, pay equity, and by increasing representation of women and minorities at all levels of the organization. These efforts help build an inclusive culture and improve the diversity of our existing workforce. D&I training and increased awareness also positively impact relationships with key stakeholders.	GRI: 401, 404, 405

PRIORITY ESG TOPIC SCOPE AND BOUNDARIES

PRIORITY TOPIC	TOPIC SCOPE & BOUNDARIES	RELEVANT GRI & SASB DISCLOSURES
GOVERNANCE TOPICS		
Compliance	Management systems and policies to ensure compliance with all relevant laws and regulations (including food and feed, labor, environmental regulations, etc.).	GRI: 205, 206
Business Ethics	Enforce progressive code of conduct and adherence to code of conduct and policies and systems to ensure anti-corruption, anti-bribery, anti-competitive behavior, etc. A robust ethics and compliance system has positive impacts on our workforce and helps us grow into markets and maintain access to raw materials. Meeting high ethical standards also benefits our business relationships with suppliers, customers, JV partners and other stakeholders.	GRI: 205, 206
Board & Governance	Includes Board leadership, diversity, independence, quality and integrity, and the integration of ESG risks and opportunities into Board accountability. Strong corporate governance and ESG governance have positive impacts for our operations and for all stakeholders.	GRI: 405
Sustainable Supply Chains	Assess and track supplier performance and compliance across environmental and social issues, enforce supplier codes of conduct, and engage with suppliers on key sustainability issues such as human and labor rights, greenhouse gas emissions and energy, and product safety and quality. Working with suppliers to improve ESG performance helps strengthen their businesses and mitigate potential operational risks.	GRI: 308, 414 SASB: FB-AG-430a.1, FB-AG-430a.2, FB-AG-430a.3, FB-AG-440a.1, FB-AG-440a.2
Data Security & Privacy	Protect employee, supplier and customer data by implementing, monitoring and continually improving policies, processes and systems, including physical and cybersecurity policies and systems to avoid data breaches. Rigorous data security practices have a positive impact for our own operations and those of our suppliers and customers.	GRI: 418
Product Safety & Quality	Seek recognized food and feed safety certifications, conduct food and feed safety risk assessments, train employees on product safety, and conduct product recalls due to quality or safety. Meeting high product safety and quality standards not only enhances our reputation and mitigates risks, but has positive impacts for our customers.	GRI: 416 SASB: FB-AG-250a.1, FB-AG-250a.2, FB-AG-250a.3, FB-AG-430b.1

SASB INDEX

Darling Ingredients has elected to report according to the Value Reporting Foundation’s Agricultural Products SASB Standard within the Food and Beverage Sector. We do not currently disclose all metrics included in the Standard for our sector, but we will continue to evaluate them in the future. All data is for the year ended January 1, 2022, unless otherwise noted. All data and descriptions apply to our entire company unless otherwise noted.

TOPIC	CODE	ACCOUNTING METRIC	UNIT(S) OF MEASURE	RESPONSE / LOCATION
Greenhouse Gas Emissions	FB-AG-110a.1	Gross global Scope 1 emissions.	Metric tons (t) CO ₂ -e	Key Environmental Metrics: 1,390,308 tCO ₂ e.
	FB-AG-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	n/a	Progress on our strategic environmental targets.
	FB-AG-110a.3	Fleet fuel consumed, percentage renewable.	Gigajoules (GJ), percentage (%)	Key Environmental Metrics: 1,935,266 GJ.
Energy Management	FB-AG-130a.1	(1) Operational energy consumed. (2) percentage grid electricity. (3) percentage renewable.	Gigajoules (GJ), percentage (%)	Key Environmental Metrics: (1) 25,233,938 GJ (2) 11.8% (3) 5.0%

SASB INDEX

TOPIC	CODE	ACCOUNTING METRIC	UNIT(S) OF MEASURE	RESPONSE / LOCATION
Water Management	B-AG-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress.	Thousand cubic meters (m ³), percentage (%)	Sustainable Water Use. Key Environmental Metrics: (1) 34,397 (1000m ³)(excludes water contribution), (3) 10.4% of water withdrawn from areas with water stress (excludes water contribution)(2) Metric not reported.
	B-AG-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks.	n/a	Progress on our strategic environmental targets Sustainable Water Use.
	B-AG-140a.3	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards and regulations.	Number	Zero incidences of non-compliance in FY21 In measuring the number of instances of non-compliance in any calendar year that resulted in formal enforcement actions, we look to the views of the SEC and define such number to be the amount of environmental proceedings which occurred during that calendar year that are (i) based on non-compliance with water quality permits, standards or regulations and (ii) required to be disclosed pursuant to Regulation S-K 103 (applying the lowest numerical disclosure threshold in effect at the time). Please see our Quarterly Reports on Form 10-Q and 2021 Annual Report on Form 10-K.

SASB INDEX

TOPIC	CODE	ACCOUNTING METRIC	UNIT(S) OF MEASURE	RESPONSE / LOCATION
Workforce Health & Safety	FB-AG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees.	Rate	Key Social Metrics: (1) 5.5 (2) 1 (3) Metric not reported publicly.
Environmental & Social Impacts of Ingredient Supply Chain	FB-AG-430a.1	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard.	Percentage (%) by cost	We don't believe this is relevant for Darling Ingredients, as our agricultural outputs are negligible.
	FB-AG-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances.	Rate	While we expect our suppliers to recognize and respect all principles and standards detailed in our Supplier Code of Conduct, we do not currently audit their conformance with our Code.
	FB-AG-430a.3	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing.	n/a	We don't believe this is relevant, as our agricultural outputs are negligible.
GMO Management	FB-AG-430b.1	Discussion of strategies to manage the use of genetically modified organisms (GMOs).	n/a	We don't believe this is relevant, as our agricultural outputs are negligible.
Ingredient Sourcing	FB-AG-440a.1	Identification of principal crops and description of risks and opportunities presented by climate change.	n/a	We don't believe these are relevant, as our agricultural outputs are negligible.
	FB-AG-440a.2	Percentage of agricultural products sourced from regions with high or extremely high baseline water stress.	Percentage (%) by cost	

ACTIVITY METRICS

ACTIVITY METRIC	CODE	UNIT OF MEASURE	RESPONSE/LOCATION
Production by principal crop	FB-AG-000.A	Metric tons (t)	We don't believe this is relevant, as our agricultural outputs are negligible.
Number of processing facilities	FB-AG-000.B	Number	Darling Ingredients has 145 production facilities across five continents.
Total land area under active production	FB-AG-000.C	Hectares	We don't believe this is relevant, as our agricultural outputs are negligible.
Cost of agricultural products sourced externally	FB-AG-000.D	Reporting currency	We don't believe this is relevant, as our agricultural outputs are negligible.

GRI CONTENT INDEX

This table covers selected GRI Sustainability Reporting Standards and Disclosures found in this ESG report, 10-K and proxy reports, as well as information on our website at darlingii.com.

GRI 2: General Disclosures 2021			
GRI Standard	Disclosure	Description	Location & Notes
1: Organization and its reporting practices			
	2-1	Organizational details.	Darling Ingredients Inc. (NYSE:DAR). Incorporated in Delaware. See Darling Ingredients Annual Report on Form 10-K for the fiscal year-end January 1, 2022. 5601 N MacArthur Blvd, Irving, TX 75038 See By the numbers
	2-2	Entities included in the organization's sustainability reporting.	As of January 1, 2022, the company operates a global network of over 200 locations, including 145 production facilities, across five continents. All of the processing facilities are owned except for 10 leased facilities, and the company owns and leases a network of transfer stations. See Annual Report on Form 10-K
	2-3	Reporting period, frequency and contact point.	January 2, 2021, to January 1, 2022. Annual. communication@darlingii.com
	2-4	Restatements of information.	No major changes: any adjustments are explained within the report.
2: Activities and workers			
	2-6	Activities, value chain and other business relationships.	Darling Ingredients at a Glance. About us.
	2-7	Employees.	~ 14,000 employees.

GRI CONTENT INDEX

GRI Standard	Disclosure	Description	Location & Notes
3: Governance			
	2-9	Governance structure and composition.	To learn more about the governance structure and composition at Darling Ingredients and its committees, visit our Governance website.
	2-10	Nomination and selection of highest governance body.	For a complete description of the company's corporate governance practices, please visit our Governance website.
	2-11	Chair of the highest governance body.	To learn more about the composition of the highest governance body at Darling Ingredients and its committees, visit our Governance website.
	2-12	Role of the highest governance in overseeing the management of impacts.	How We Manage ESG. Proxy Statement, pp. 9–14
	2-13	Delegation of responsibility for managing impacts.	How We Manage ESG. Proxy Statement , pp. 9–14
	2-14	Role of the highest governance body in sustainability reporting.	How We Manage ESG. Proxy Statement , pp. 9–14
	2-15	Conflicts of interest.	The Board has adopted a Code of Conduct to which all officers, directors and employees (who for purposes of the Code of Conduct are collectively referred to as employees) are required to adhere in addressing the legal and ethical issues encountered in conducting their work. The Code of Conduct requires that all employees avoid conflicts of interest; comply with all laws, rules and regulations; conduct business in an honest and fair manner; and otherwise act with integrity. Proxy Statement , pp. 14, 62
	2-16	Communication of critical concerns.	Stakeholder Engagement.
	2-17	Collective knowledge of the highest governance body.	See Environmental, Social and Governance Committee Charter .

GRI CONTENT INDEX

GRI Standard	Disclosure	Description	Location & Notes
	2-18	Evaluation of the performance of the highest governance body.	Each year, the members of the Board and each committee conduct a self-assessment and each director completes a comprehensive questionnaire developed by our Nominating and Corporate Governance Committee. This annual evaluation process is designed to assess Board and committee effectiveness and covers a thorough list of topics to be considered by the directors, including Board and committee structure, oversight, information, culture, and mix of director skills, qualifications and experiences. The results of the evaluations are part of the Nominating and Corporate Governance Committee's consideration in connection with their review of director nominees to ensure the Board continues to operate effectively. Proxy Statement , pp. 8, 13, 14
	2-19	Remuneration policies.	Proxy Statement , pp. 25–58 For information on integration of ESG into executive compensation, Proxy Statement , pg. 40.
	2-21	Annual total compensation ratio.	Proxy Statement , pg. 58
4: Strategies, Policies and Practices			
	2-22	Statement on sustainable development strategy.	UN Sustainable Development Goals.
	2-26	Mechanisms for seeking advice and raising concerns.	Business Ethics.
	2-27	Compliance with laws and regulations.	Risks Related to Legal and Regulatory Compliance. Annual Report on Form 10-K , pp. 26, 27
	2-28	Membership associations.	Stakeholder Engagement.

GRI CONTENT INDEX

GRI Standard	Disclosure	Description	Location & Notes
5: Stakeholder Engagement			
	102-29	Approach to stakeholder engagement.	Stakeholder Engagement.
	102-30	Collective bargaining agreements.	19% of North America employees are covered. Annual Report on Form 10-K , pg. 13
205: Anti-Corruption [2016]			
	205-1	Operations assessed for risks related to corruption.	Business Ethics.
	205-2	Communication and training about anti-corruption policies and procedures.	Business Ethics.
206: Anti-Competitive Behavior [2016]			
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	Business Ethics.
302: Energy [2016]			
	302-1	Energy consumption within the organization (GJ).	Key Environmental Metrics.
	302-2	Energy consumption outside of the organization (GJ).	Key Environmental Metrics.
	302-3	Energy intensity.	Key Environmental Metrics.
	302-4	Reduction of energy consumption (GJ).	Energy and Emissions.
303: Water and Effluents [2018]			
	303-1	Interactions with water as a shared resource.	Sustainable Water Use.
	303-2	Management of water-discharge-related impacts.	Sustainable Water Use.
	303-3	Water withdrawal.	Key Environmental Metrics.
	303-4	Water discharge.	Key Environmental Metrics.
	303-5	Water consumption.	Key Environmental Metrics.

GRI CONTENT INDEX

GRI Standard	Disclosure	Description	Location & Notes
305: Emissions [2016]			
	305-1	Direct (Scope 1) GHG emissions.	Key Environmental Metrics.
	305-2	Energy indirect (Scope 2) GHG emissions.	Key Environmental Metrics.
	305-3	Other indirect (Scope 3) GHG emissions.	Key Environmental Metrics.
	305-4	GHG emissions intensity.	Key Environmental Metrics.
306: Waste [2020]			
	306-2	Management of significant waste-related impacts.	Circular by Nature. Our View on Disposable Waste.
	306-4	Waste diverted from disposal.	Given that we completely recover and sell all the raw materials we collect as ingredients for feed, food, fuel and fertilizer, we do not invest in systems to collect and monitor our waste data.
308: Supplier Environmental Assessment [2016]			
	308-1	New suppliers that were screened using environmental criteria.	We expect our suppliers to recognize and respect all principles and standards detailed in our Supplier Code of Conduct, our Supplier Code of Conduct, which includes environmental criteria.
GRI 400: Social			
401: Employment [2016]			
	401-1	New employee hires and employee turnover.	Key Social Metrics. We don't currently report on new employee hires by age group, gender or region.
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	Health and Safety: Benefits. Employee benefits vary by region. U.S.-based-employees' benefits include medical, dental, vision, 401k with match, and paid holidays, vacation and sick time.
418: Customer Privacy [2016]			
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Customer Privacy; Key Governance Metrics.
419: Socioeconomic Compliance [2016]			
	419-1	Management approach disclosures.	Business Ethics; Key Governance Metrics.

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In this index, Darling Ingredients provides information aligned with Task Force on Climate-Related Financial Disclosures recommendations. We intend to continue to refine our strategy, risk management and reporting going forward.

Disclosure	Response/Location
Governance	
Describe the board’s oversight of climate-related risks and opportunities.	<p>Darling Ingredient’s (“Darling Ingredients” or the “company”) Board of Directors (“Board”) actively engages with senior management to understand and oversee the company’s various risks, and members of senior management regularly attend Board meetings to provide regular briefings on risk-related matters, including climate-related, cybersecurity and other risks.</p> <p>The Board has delegated direct management of oversight and approach to climate-related risk management to the ESG Board Committee. The Board of Directors receives regular updates from senior management and the ESG Board Committee on climate-related risks and other risk management concerns.</p>
Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>The Chief Executive Officer (the “CEO”) has ultimate responsibility for assessing and managing climate-related risks and opportunities, using an interdisciplinary approach that coordinates the views of operational, commercial, regulatory, financial and legal groups into long-term strategic planning. The CEO reports to the Board on climate-related issues at least quarterly.</p> <p>Darling Ingredients’ senior executives, in coordination with the ESG Board Committee and the Global Sustainability Committee (the “GSC”), are responsible for day-to-day management of strategic, operational and compliance risks, including the creation of appropriate risk management policies and the assignment of responsibility and accountability for their implementation.</p> <p>The GSC reports to the Board annually.</p>
Strategy	
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	<p>Darling Ingredients’ climate-related risks and opportunities are identified by our ESG Board Committee and senior management. Darling Ingredients considers both operational and supply chains risk and qualifies material risks and opportunities as those that represent >5% adjusted EBITDA.</p> <p>Timeframe for evaluating risks and opportunities:</p> <ul style="list-style-type: none"> • Short: 0–5 years • Medium: 5–10 years • Long: 10–30 years

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Disclosure	Response/Location
Strategy	
Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.	<p>Darling Ingredients has developed a low-carbon transition plan to support the identification of climate-related opportunities and the mitigation of climate-related risks.</p> <p>Products and Services: Darling Ingredients' significant investment in its venture Diamond Green Diesel and in the production of other alternative fuels supports the transition to a low-carbon economy.</p> <p>Operations: Darling Ingredients is in the evaluation phase of its operations management plan. The plan will include the reduction of energy intensity across our business lines.</p> <p>Supply Chain: Darling Ingredients will continue to work to develop a supply chain management program plan.</p> <p>Financial Planning: The company's GSC performs qualitative risk analysis to assess scenarios that may impact Darling Ingredients' future financial position.</p> <p>Darling Ingredients turns animal byproducts and food waste into sustainable products. As a result, seasonal factors and weather can impact availability, quality and volume of raw materials that the company processes and can negatively affect the company's operations.</p>
Describe the potential impacts of different scenarios, including a 2°C scenario, on the organization's businesses, strategy and financial planning.	The company has gathered necessary information to perform a qualitative assessment of risks and opportunities. The ESG Board Committee has supported the realization of opportunities in biofuel production.
Risk Management	
Describe the organization's processes for identifying and assessing climate-related risks.	The company qualifies risks as material if it poses a threat that would result in implications >5% of EBITDA. The company also closely monitors existing and emerging regulatory requirements related to climate change, for example by strictly following EPA regulations and policies and carbon pricing schemes. Climate risk assessment begin with the GSC and senior management and is performed annually for long-term risks.
Describe the organization's processes for managing climate-related risks.	Climate-related risks are identified by the GSC and senior management. Risk are material if they pose a threat that would result in implications >5% of EBITDA.
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	The company integrates climate-related risks into a multi-disciplinary company-wide risk management process.
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Darling Ingredients uses multiple metrics to assess climate-related risks and opportunities. The primary transition risk metrics include greenhouse gas (GHG) emissions and the WRI Aqueduct Water Risk Assessment, conducted in 2020. In 2023, we plan to revisit our water risk assessment and will account for the company's latest acquisitions.

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Disclosure	Response/Location
<p>Targets</p> <p>Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>2021 Darling Ingredients GHG Emissions:</p> <ul style="list-style-type: none"> • Scope 1: 1,390,308 tCO₂e • Scope 2 (market-based): 379,401 tCO₂e • Scope 3: <ul style="list-style-type: none"> ◦ FERA: 351,762 tCO₂e ◦ Employee commuting: 14,777 tCO₂e ◦ Business travel: 846 tCO₂e <p>Darling Ingredients calculates GHG emissions across all scopes in alignment with the Greenhouse Gas Protocol. The company's GHG emission reporting reduces risk exposure associated with stakeholder expectations around environmental disclosure and performance.</p> <p>Darling Ingredients' related risks include the production and consumption of natural gas and diesel. However, renewable energy production reduces GHG emissions and ultimately climate risk for the company in addition to the grid at large by reducing unreliability and power outages.</p> <p>2021 Darling Ingredients renewable diesel production: 372 million gallons.</p>
<p>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>The company's environmental goals support the management of climate-related risks and opportunities. Current goals include:</p> <ul style="list-style-type: none"> • Short-term target to reduce water and energy intensity by 5% by 2025 • Short-term target to increase renewable fuel production by 150% from 2019–2022 • Long-term target to achieve net zero GHG emissions and sustainable water use before 2050 <p>Darling Ingredients' Water Risk Assessment, conducted using WRI's Aqeduct tool, supports the company to actively measure and assess water scarcity risk. ~10% of the company's water withdrawals are from water scarce regions, reducing the overall risk of Darling Ingredients' operations.</p>



Corporate Headquarters:

Darling Ingredients Inc.
5601 N MacArthur Blvd
Irving, Texas 75038

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