

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

At Darling Ingredients, we create sustainable food, feed and fuel ingredient solutions. We take the meat by-products from our animal-based diets and process them to reclaim valuable and essential bio-nutrients, fats, oils, proteins, meals and more that are used daily in personal, commercial, and industrial products. Our natural and sustainable ingredients are marketed internationally to the pharmaceutical, food, animal feed, pet food, biofuel, fertilizer, sports nutrition and cosmetic industries.

Our Feed and Pet Food solutions, by re-purposing organic bio-nutrient residuals, have grown into one of the world's leading suppliers of natural, sustainable feed ingredients. Additionally, the safe processing of organic meat co-products and animal mortalities has proven to be the most secure and efficient way of handling these materials, as compared to other methods which can harm the environment through the release of methane gases and pathogens.

What we do and how we do it helps protect the world's food chain from farm to table. Through our bio-security standards at our processing facilities, our customers can be assured that our food ingredients are fully traceable, and our products and processes are fully compliant with food safety regulations. Our industry is often referred to as "the gatekeeper," keeping our food chain safe from harmful materials. By processing unconsumed meat co-products into usable ingredients rather than disposing of them in landfills or compost piles, our facilities *prevent* more greenhouse gases from being released into the air rather than what they add to it during operations. By re-purposing this material, we also help protect our land and groundwater from pathogens that occur during nature's decomposition process. And, by ensuring our feed ingredients are traceable and safe, we protect the livestock that start this food cycle in motion. Through our secure operations, we are able to provide the world's food manufacturers and supply chains with a range of safe and tested food ingredients and products that are sustainable and natural, and economically and ecologically viable. We're the world's leading supplier of gelatin and collagen peptides. We provide global food and meat manufacturers with safe, fully traceable sausage casings and meat co-products. We contribute to innovative, healthy food concepts through our natural proteins and other natural dietary supplements

Darling Ingredients has taken the lead in developing new opportunities in renewable energy. Whether from re-purposed animal fats, organic residuals or the oil and grease we collect from restaurants, our energy solutions are one more contribution towards a paradigm shift in the world's long-term energy balance. Our many years of experience in acquiring organic co-products and residuals and converting them into innovative, high-value products have positioned us as a global leader in renewable energy development. We were the first in the USA to pioneer the commercial production of biodiesel utilizing animal fats and used cooking oils. In 2001, we became Canada's first producer of biodiesel from animal fats and cooking oils. In 2013, together with Valero Energy Corporation, we constructed North America's largest facility to convert animal fats, used cooking oils and distiller oils into renewable diesel. In Europe, we are leading the way with innovative biofuel and renewable energy solutions.

At Darling Ingredients, we have over a century of experience in making the world a greener place. As an innovative developer of organic fertilizers, we take 'going green' quite literally, re-purposing industrial residuals and meat co-products into nutritional, life-sustaining solutions for horticultural gardens, organic farming, healthy sports turf and more. Using our fertilizer and soil enrichment solutions result in higher yields on conventional and organic farms, as well as greener golf courses, sports turf and lawns. We can also help to improve phosphate balances in agriculture. Developing these resources from residuals also means we make operations cleaner, smoother and more sustainable for a variety of industries. Our methods for storing, collecting and re-purposing these residuals demonstrate how our company serves as a leading steward of our planet's natural resources.

Commercial bakeries and snack manufacturers throughout North America rely on us for the full-service management of their residuals. Bakery Feeds we re-purpose them into a sustainable, quality ingredient for feed rations. Our services unburden the bakery and snack industry, add value to the feed industry, and improve the sustainability performance of both.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	No	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

- Argentina
- Australia
- Belgium
- Brazil
- Canada
- China
- Czechia
- France
- Germany
- Italy
- Japan
- Malaysia
- Netherlands
- Poland
- Portugal
- Spain
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

Darling does not own or directly manage any of these value chain lands.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Other, please specify (Food Ingredients such as gelatin & hydrolyzed collagen peptides, food grade fats, natural casings, functional proteins, bone and heparin.)

% of revenue dependent on this agricultural commodity

20-40%

Produced or sourced

Produced

Please explain

We take the meat by-products from the production of our animal-based diets, and process them to reclaim valuable and essential bio-nutrients, fats, oils, proteins, meals and more that are used daily in personal, commercial, and industrial products. Our natural and sustainable ingredients are marketed internationally to the pharmaceutical, food, animal feed, pet food, biofuel, fertilizer, sports nutrition and cosmetic industries.

Agricultural commodity

Other, please specify (Feed Ingredients such as fats, proteins, used cooking oils, blood products, pet food ingredients, bakery by-product meals and insect fats and proteins.)

% of revenue dependent on this agricultural commodity

40-60%

Produced or sourced

Produced

Please explain

We take the meat by-products from the production of our animal-based diets, and process them to reclaim valuable and essential bio-nutrients, fats, oils, proteins, meals and more that are used daily in personal, commercial, and industrial products. Our natural and sustainable ingredients are marketed internationally to the pharmaceutical, food, animal feed, pet food, biofuel, fertilizer, sports nutrition and cosmetic industries.

Agricultural commodity

Other, please specify (Fuel Products such as green energy, green electricity, biogas, biodiesel and renewable diesel.)

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Produced

Please explain

We take the meat by-products from the production of our animal-based diets, and process them to reclaim valuable and essential bio-nutrients, fats, oils, proteins, meals and more that are used daily in personal, commercial, and industrial products. Our natural and sustainable ingredients are marketed internationally to the pharmaceutical, food, animal feed, pet food, biofuel, fertilizer, sports nutrition and cosmetic industries.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	Darling's Sustainability Team provides guidance, feedback and regular reporting on material ESG matters, including climate-related, to the Chairman of the Board. The Chairman, in turn, sets the course for Darling's sustainability program.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Monitoring implementation and performance of objectives	Based on feedback from the Sustainability Committee, the Chairman brings up important sustainability and climate-related matters for discussion as necessary with the board and provides guidance back to the sustainability team. The Director of Sustainability also provides scheduled updates regarding implementation of the program and performance on key milestones.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Sustainability committee	Assessing climate-related risks and opportunities	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Darling's Sustainability Team includes 5 Directors, 3 Vice Presidents and 1 Senior Vice President and is made up of a cross section of upper management encompassing a diverse set of responsibilities and skill sets. The Team provides guidance, feedback and regular reporting on material ESG matters, including climate-related, to the CEO. Darling recognizes the importance of monitoring climate-related issues at a high level within the organization and this group is strategically placed to bridge between corporate upper management and plant operations. Our Director of Environmental Affairs and Sustainability, with guidance from the entire Sustainability Team, is responsible for leading and implementing our sustainable strategy. The Sustainability Team members each have specific responsibilities related to their expertise on climate related issues and company operations. The Director regularly interacts and presents to the company's Board. The Director is also supported by a team of environmental professionals who facilitate sustainability efforts, including information gathering and opportunities for improvement related to the climate. The environmental professionals have direct oversight of emissions reporting, waste discharges, and overall environmental impact to the climate for global operations. Subsequent to the oversight, this group identifies targets for potential improvement in order to demonstrate Darling's environmental excellence and stewardship.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

Chief Executive Officer (CEO)

Types of incentives

Monetary reward

Activity incentivized

Other, please specify (Further develop Sustainability and Corporate Social Responsibility Approach)

Comment

Initiated expansion of sustainability and corporate social responsibility programs, which initiative led to the updating of the Social Responsibility/Sustainability portion of our corporate website to better reflect and report on our corporate social responsibility and sustainability practices.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	3	Darling believes that short-term goals in conjunction to climate change may occur within the immediate to 3 years. Capital budgeting for each year allows each business unit to decipher year to year improvements and/or changes that would allow for climate impact changes. These changes could occur without additional installations but could be achieved by modifying current practices and/or equipment.
Medium-term	3	10	Darling believes that a roadmap would need to be developed in order to concentrate on how the company would positively change it's climate impact. This could be accomplished by installing capital to accomplish the roadmap goals. However, other environmental groups would need to be consulted to discuss the approach.
Long-term	10	30	Darling believes that a roadmap would need to be developed in order to concentrate on how the company would positively change it's climate impact over the long-term. This could be accomplished by completely changing the culture of how climate change is approached. Other environmental groups and/or academic experts would need to be consulted to discuss the approach.

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Annually	>6 years	As part of Darling's overall risk analysis a detailed assessment is compiled annually which includes risks associated with climate change.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

What constitutes a substantive impact will vary but generally includes the potential to have an impact on a significant proportion of a business unit or that may be considered material to shareholders.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Our biofuels business may be affected by energy policies of U.S. and foreign governments. Pursuant to the requirements established by the Energy Independence and Security Act of 2007, the EPA finalized regulations for RFS2 in 2010. The regulation mandated the domestic use of biomass-based diesel (biodiesel or renewable diesel) of 1.0 billion gallons in 2012. Beyond 2012, the regulation requires a minimum of 1.0 billion gallons of biomass-based diesel for each year through 2022, which amount is subject to increase by the Administrator of the EPA. The volume mandates for 2018 were 2.1 billion gallons for biomass based diesel, 4.29 billion gallons for advanced biofuel and 19.29 billion gallons for renewable fuel. The EPA has also established a final volume mandate for biomass based diesel for 2019 of 2.1 billion gallons. In November 2018, the EPA finalized the volume mandates for 2019 advanced biofuel at 4.92 billion gallons and for renewable fuel at 19.92 billion gallons. In addition, the EPA affirmed the 2019 Biomass Based Diesel mandate of 2.10 billion gallons and established the 2020 Biomass Based Diesel mandate at 2.43 billion gallons. Biomass-based diesel qualifies to fulfill the biomass based diesel requirement, the non-specified portion of the advanced biofuel requirement and the total renewable fuel requirement. In order to qualify as a "renewable fuel" each type of fuel from each type of feedstock is required to lower greenhouse gas emissions ("GHG") by levels specified in the regulation. The EPA has determined that biofuels (either biodiesel or renewable diesel) produced from waste oils, fats and greases result in an 86% reduction in GHG emissions, exceeding the 50% requirement established by the regulation. Prices for our finished products may be impacted by worldwide government policies relating to renewable fuels and GHG.
Emerging regulation	Relevant, always included	Our operations are highly dependent on the use of natural gas, diesel fuel and electricity. As carbon pricing schemes develop we could see impacts through carbon taxes, cap and trade programs and environmental regulations. We consume significant volumes of natural gas to operate boilers in our plants, which generate steam to heat raw materials. Natural gas prices represent a significant cost of facility operations included in cost of sales. We also consume significant volumes of diesel fuel to operate our fleet of tractors and trucks used to collect raw materials. Diesel fuel prices represent a significant component of cost of collection expenses included in cost of sales. We also require a significant amount of electricity in operating certain of our facilities, a disruption of which or a significant increase in the cost of which could have a material adverse effect on the business and results of operations of the affected facility.
Technology	Relevant, sometimes included	Our DGD Joint Venture, which was formed to design, engineer, construct and operate the DGD (Diamond Green Diesel) Facility, which as a result of the expansion project completed in August 2018 is now capable of processing approximately 20,000 barrels per day of input feedstock to produce renewable diesel fuel and certain other co-products. The operation of a joint venture such as this involves a number of risks that could harm our business and result in the DGD Joint Venture not performing as expected, such as: the risk that one or more competitive new renewable diesel plants are constructed that use different technologies from the DGD Facility and result in the marketing of products that are more effective as a substitute for carbon-based fuels or less expensive than the products marketed by the DGD Joint Venture.
Legal	Relevant, sometimes included	
Market	Relevant, sometimes included	
Reputation	Relevant, sometimes included	
Acute physical	Relevant, sometimes included	
Chronic physical	Relevant, sometimes included	
Upstream	Relevant, always included	Seasonal factors and weather, including the physical impacts of climate changes, can impact the availability, quality and volume of raw materials that we process and negatively affect our operations. The quantity of raw materials available to us is impacted by seasonal factors, including holidays, when raw material volumes decline, and cold weather, which can impact the collection of raw materials. In addition, warm weather can adversely affect the quality of raw materials processed and our yield on production due to more rapidly degrading raw materials. In addition to seasonal impacts, depending upon the location of our facilities and those of our suppliers, our operations could be subject to weather impacts, including the physical impacts of climate changes, changes in rainfall patterns, water shortages, changing sea levels, changing storm patterns and intensities and changing temperature levels. Physical damage, flooding, excessive snowfall or drought resulting from changing climate patterns could adversely impact our costs and business operations, the availability and costs of our raw materials, and the supply and demand for our end products. These effects could be material to our results of operations, liquidity or capital resources. The quality and volume of the finished products that we are able to produce could be negatively impacted by unseasonable or severe weather or unexpected declines in the volume of raw materials available during holidays, which in turn could have a material adverse effect on our business, results of operations and financial condition. In addition, severe weather events may also impact our ability to collect or process raw materials or to transport finished products.
Downstream	Relevant, always included	Changes in consumer preference could negatively impact our business. The food and pet food industries in general are subject to changing consumer trends, demands and preferences. Trends within the food and pet food industries, such as concerns of meat based diets or carbon footprint of agricultural products, change often, and failure to identify and react to changes in these trends could lead to, among other things, reduced demand and price reductions for our products or those of our customers for whom we manufacture products, and could have an adverse effect on our financial results.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

The Board and each of its committees are involved in overseeing risk associated with our company. In its oversight role, the Board annually reviews our company's strategic plan, which addresses, among other things, the risks and opportunities facing our company. Throughout the year, management reviews any critical issues and actual results compared to the plan with the Board and relevant Board committees. In addition, members of senior management are also available to discuss our company's strategy, plans, results and issues with the Board and Board committees, and regularly attend Board meetings to provide periodic briefings, including with respect to cybersecurity and environmental (climate change), health and safety matters. While the Board has the ultimate oversight responsibility for the risk management process, it has delegated certain risk management oversight responsibilities to the Board committees, as set forth in their respective charters. One of the primary purposes of the audit committee, as set forth in its charter, is to act on behalf of the Board in fulfilling its responsibilities to oversee company processes for the management of business/financial risk and for compliance with applicable legal, ethical and regulatory requirements. Accordingly, as part of its responsibilities as set forth in its charter, the audit committee is charged with (i) inquiring of management and our company's outside auditors about significant risks and exposures and assessing the steps management has taken or needs to take to minimize such risks and (ii) overseeing our company's policies with respect to risk assessment and risk management, including the development and maintenance of an internal audit function to provide management and the audit committee with ongoing assessments of our company's risk management processes and internal controls. In connection with these risk oversight responsibilities, the audit committee has regular meetings with our company's management, internal auditors, chief compliance officer and independent, outside auditors. The nominating and corporate governance committee periodically reviews our company's Corporate Governance Guidelines and their implementation, as well as regularly evaluating new and continuing directors for election to the Board. Each committee provides the Board with regular, detailed reports regarding committee meetings and actions.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	At this stage of our evaluation Darling has not found any risks with potential for substantive financial or strategic impact on our business.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact

Increased revenue through demand for lower emissions products and services

Company-specific description

In August 2018, the DGD Joint Venture completed an expansion project that increased the DGD Facility's annual production capacity from 160 million gallons of renewable diesel to 275 million gallons and expanded outbound logistics for servicing the many developing low carbon fuel markets around North America and worldwide. In November 2018, the joint venture partners approved the DGD Joint Venture moving forward with another expansion project, which is expected to grow the facility's annual production capacity by an additional 400 million gallons from the current capacity of 275 million gallons of renewable diesel to 675 million gallons of renewable diesel and provide the capability to separate naphtha for sale into low carbon fuel markets. DGD estimates completion and startup of the expansion project in the fourth quarter of 2021. The expansion will be in the form of a parallel facility located next to the current facility. The planned expansion will also include expanded inbound and outbound logistics for servicing the many developing low carbon fuel markets around North America and worldwide. The total cost of the expansion project, including the naphtha production and improved logistics capability, is estimated to be approximately \$1.1 billion.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

86400000

Potential financial impact figure – maximum (currency)

246800000

Explanation of financial impact figure

Diamond Green Diesel recorded an entity level EBITDA of \$86.4 million, or \$0.54 per gallon without the BTC. We anticipate receiving the entity share of the BTC of approximately \$160.4 million, or \$0.56 per share.

Strategy to realize opportunity

Diamond Green Diesel ("DGD"), our 50/50 joint venture with Valero Energy Corporation, has proven to be the lowest-cost and highest green premium producer of renewable diesel in the world. While the regulatory environment surrounding the Renewable Fuel Standard was in flux during the year and the absence of the BTC impacted our results, DGD excelled operationally. We remain confident in its positioning to service both the U.S. renewable fuel standard demands as well as to satisfy the growing global demand for low carbon markets, which will drive enhanced margin opportunities. The expanded DGD facility came online in late second quarter 2018, boosting annual production to a 275-million-gallon run rate from the original 160-million-gallon run rate. We made a joint announcement with Valero to perform an engineering and construction cost review for a proposed additional expansion of the facility to 675 million gallons per year. Our partnership with Valero through DGD has created a sustainable and efficient process of converting Darling's feedstocks of waste fats and oils to high quality biofuels to meet the needs of our customers around the world.

Cost to realize opportunity

190000000

Comment

Impacts and costs are inclusive of our current production capacity of 275 million gallons per year.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	Darling is able to route a large majority of collected grease/oil raw materials to DGD to convert to a high quality biofuel. This minimizes risks associated with low grease markets while increasing our offering of low carbon biofuel.
Supply chain and/or value chain	Impacted	Darling is able to route a large majority of finished/processed fats/oils to DGD to convert to a high quality biofuel. This allows full utilization of our logistics infrastructure.
Adaptation and mitigation activities	Impacted	During DGD expansion and catalyst bed replacement, Darling was required to divert feedstock to other locations until such time that DGD came back on line.
Investment in R&D	Impacted	Due to the high yielding profit center that DGD is, Darling is continuing to invest in DGD through recent expansions at the DGD facility.
Operations	Impacted	Darling identifies operational opportunities to continue sending more feedstocks to DGH, as this is a high yielding profit center for the company.
Other, please specify	Not impacted	Not applicable

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	DGD is a large factor EBITDA and it weighs heavily on where certain facilities will send their fats, oils, and feedstock material.
Operating costs	Impacted	Darling may decide to route materials to DGD a further distance in order to realize the potential profit gain from DGD. This may result in higher transportation costs.
Capital expenditures / capital allocation	Impacted	Darling has a joint venture with Valero for DGD. Recently, capital funding was procured to expand DGD.
Acquisitions and divestments	Impacted	Darling is always looking for acquisitions to increase our control of supply and drive more fats/oils to DGD.
Access to capital	Not impacted	Not Applicable
Assets	Not impacted	Not Applicable
Liabilities	Not impacted	Not Applicable
Other	Not impacted	Not Applicable

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, but we anticipate doing so in the next two years

C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b

(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b) Indicate whether your organization has developed a low-carbon transition plan to support the long-term business strategy.

In development, we plan to complete it within the next 2 years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Our business strategy is centered around distinguishing ourselves as the global leader in the production of the highest quality sustainable protein and nutrient-recovered ingredients. In simple terms we are re-purposing food industry by-products, which we consider to be very climate positive. These ingredients play an important roll in displacing fossil fuel energy sources as well as corn and soy grown for animal diets.

The drive for new energy sources to replace fossil fuels has played a major role in our strategy to focus on conversion of our animal and plant based fats and oils into renewable diesel.

Our business strategy, while not linked directly to a reduction in our emissions, is central to the transition away from fossil fuels and in turn a significant reduction in GHG emissions.

Our most significant decisions related to climate change driven aspects of our strategy include the continued expansion of our renewable diesel production facilities. We have gone from annual production of 150 millions gallons to 275 millions gallons in 2019 and plan to further increase production to 675 million gallons by 2021. This has entailed substantially increased investment in production facilities and expansion of our logistics infrastructure through acquisition of new facilities.

Our strategy has been heavily influenced by the GHG reduction efforts of California's Low Carbon Fuel Standard.

By diversifying where our fats and oils are used we have gained a strategic advantage over our competitors and at the same time reduced market risks.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

Our business strategy is informed by many things including an analysis of future trends. Recommendations to use climate related scenario analysis to inform business strategy are relatively new. Guidance and standardization of common approaches is lacking. With the advent of TCFD we are planning to begin the development of our program.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you do not have emissions target and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	Important but not an immediate business priority	Benchmark data is being collected and will be utilized for goal setting by 2020.	Our industry is often referred to as the "original recycler." Through our diverse global family of brands, we collect and repurpose millions of metric tons of inedible materials annually. Beef, poultry and pork by-product streams are converted into usable and specialty ingredients, such as gelatin, tallow, feed-grade fats, meat and bone meal, poultry meal, yellow grease, fuel feedstocks, green energy, natural casings and hides, which are sold to the pharmaceutical, food, pet food, feed, fuel, bio-energy and fertilizer industries around the world. The nature of this business is to sequester carbon into our products that would otherwise be emitted into the atmosphere through decomposition, composting, landfilling and the like. The net effect of Darling's operations is a negative carbon footprint where for every pound of carbon emitted we prevent the release of almost 5 pounds.

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

No

C4.3d

(C4.3d) Why did you not have any emissions reduction initiatives active during the reporting year?

Darling is in the process of collecting data to establish benchmark values in order to determine appropriate emissions reduction initiatives.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Company-wide

Description of product/Group of products

Our industry is often referred to as the "original recycler." Through our diverse global family of brands, we collect and repurpose millions of metric tons of inedible materials annually. Beef, poultry and pork by-product streams are converted into usable and specialty ingredients, such as gelatin, tallow, feed-grade fats, meat and bone meal, poultry meal, yellow grease, fuel feedstocks, green energy, natural casings and hides, which are sold to the pharmaceutical, food, pet food, feed, fuel, bio-energy and fertilizer industries around the world. The nature of this business is to sequester carbon into our products that would otherwise be emitted into the atmosphere through decomposition, composting, landfilling and the like. The net effect of Darling's operations is a negative carbon footprint where for every pound of carbon emitted we prevent the release of almost 5 pounds.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (The avoided emissions benefits of rendering operations are most credibly calculated using product carbon foot-printing models derived through LCA.)

% revenue from low carbon product(s) in the reporting year

100

Comment

Many of the finished products that Darling produces have been analysed to determine carbon footprint or carbon intensity. These values are then utilized to compare with carbon footprint data on competing products in both the animal and petfood industry as well as our renewable diesel operations.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

1431910

Comment

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

393589

Comment

Scope 2 (market-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

421630

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

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

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

1431910

Start date

January 1 2018

End date

December 31 2018

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

393589

Scope 2, market-based (if applicable)

421630

Start date

January 1 2018

End date

December 31 2018

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Business travel

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Upstream leased assets

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Use of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Downstream leased assets

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We have made estimates for internal discussions but have not yet completed comprehensive accounting per the GHG Protocol. We hope to have this evaluation completed in the next two years.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

No franchises

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Darling does not have significant investments in other companies that fall under category 15.

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?

No

C-AC6.6b/C-FB6.6b/C-PF6.6b

(C-AC6.6b/C-FB6.6b/C-PF6.6b) Why can you not report your Scope 3 emissions by business activity area?

Row 1

Primary reason

We are planning to include in the next two years

Please explain

We are in the early stages of our GHG emissions evaluation. We have completed Scope 1 and Scope 2 evaluations to establish baseline (2018). We anticipate completing Scope 3 evaluation in the next 2 years.

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Other (Food Ingredients such as gelatin & hydrolyzed collagen peptides, food grade fats, natural casings, functional proteins, bone and heparin.)

Do you collect or calculate GHG emissions for this commodity?

No, not currently but intend to collect or calculate this data within the next two years

Please explain

We take the meat by-products from the production of our animal-based diets, and process them to reclaim valuable and essential bio-nutrients, fats, oils, proteins, meals and more that are used daily in personal, commercial, and industrial products. Our natural and sustainable ingredients are marketed internationally to the pharmaceutical, food, animal feed, pet food, biofuel, fertilizer, sports nutrition and cosmetic industries. We have calculated GHG emissions from some of these products but not all.

Agricultural commodities

Other (Feed Ingredients such as fats, proteins, used cooking oils, blood products, pet food ingredients, bakery by-product meals and insect fats and proteins.)

Do you collect or calculate GHG emissions for this commodity?

No, not currently but intend to collect or calculate this data within the next two years

Please explain

We take the meat by-products from the production of our animal-based diets, and process them to reclaim valuable and essential bio-nutrients, fats, oils, proteins, meals and more that are used daily in personal, commercial, and industrial products. Our natural and sustainable ingredients are marketed internationally to the pharmaceutical, food, animal feed, pet food, biofuel, fertilizer, sports nutrition and cosmetic industries. We have calculated GHG emissions from some of these products but not all.

Agricultural commodities

Other (Fuel Products such as green energy, green electricity, biogas, biodiesel and renewable diesel.)

Do you collect or calculate GHG emissions for this commodity?

No, not currently but intend to collect or calculate this data within the next two years

Please explain

We take the meat by-products from the production of our animal-based diets, and process them to reclaim valuable and essential bio-nutrients, fats, oils, proteins, meals and more that are used daily in personal, commercial, and industrial products. Our natural and sustainable ingredients are marketed internationally to the pharmaceutical, food, animal feed, pet food, biofuel, fertilizer, sports nutrition and cosmetic industries. We have calculated GHG emissions from some of these products but not all.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.1675

Metric numerator (Gross global combined Scope 1 and 2 emissions)

1825499

Metric denominator

Other, please specify (Metric Ton of Raw Material)

Metric denominator: Unit total

10894992

Scope 2 figure used

Location-based

% change from previous year

0

Direction of change

No change

Reason for change

2018 is our base year.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	1428415	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	1329	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	2157	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	8.6	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Argentina	4295
Australia	2028
Belgium	56382
Brazil	73760
Canada	87547
China	185822
France	33168
Germany	81804
Italy	2013
Netherlands	74824
Poland	29699
Portugal	8
Spain	10221
United States of America	790338

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary Combustion	1318585
Mobile Combustion (transport)	113217
Fugitive emissions	9

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Argentina	2425	2425	6435041	0
Australia	1931	1931	2535767	0
Belgium	9605	6004	43592231	0
Brazil	4199	4199	34904200	0
Canada	8011	8011	51938906	0
China	57069	57069	90628115	0
France	2568	2548	44441000	0
Germany	22729	37968	51902054	0
Italy	827	1318	2766000	0
Netherlands	80188	95916	150002717	0
Poland	12102	14568	17456030	0
Portugal	44	59	153000	0
Spain	2759	5125	11481000	0
United States of America	189132	184489	893024052	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Purchased Electricity	393589	421630

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

This is our first year of reporting, so we cannot compare to last year

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

Don't know

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	554126	6887879	7442005
Consumption of purchased or acquired electricity	<Not Applicable>	0	893024	893024
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	36054	<Not Applicable>	36054
Total energy consumption	<Not Applicable>	590180	7780903	8371083

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Animal Fat

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

326473

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Coal

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

538722

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Wood

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

227654

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

5900598

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Animal Fat

Emission factor

0.07112

Unit

metric tons CO2e per million Btu

Emission factor source

EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018 (<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

Coal

Emission factor

0.0954

Unit

metric tons CO2e per million Btu

Emission factor source

Values for 'Mixed (Industrial Sector)' coal type; EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018 (<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

Natural Gas

Emission factor

0.0531

Unit

metric tons CO2e per million Btu

Emission factor source

EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018 (<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

Wood

Emission factor

0.09496

Unit

metric tons CO2e per million Btu

Emission factor source

EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018 (<https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-emission-factors-hub>).

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	36054	0	36054	0
Heat	0	0	0	0
Steam	325826	325826	325826	325826
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor

Low-carbon technology type

<Not Applicable>

Region of consumption of low-carbon electricity, heat, steam or cooling

<Not Applicable>

MWh consumed associated with low-carbon electricity, heat, steam or cooling

<Not Applicable>

Emission factor (in units of metric tons CO2e per MWh)

<Not Applicable>

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

Our strategy would include primarily efficiency upgrades and then purchase of carbon credits as needed. We are in the process of creating an internal carbon price as a tool to help manage future potential carbon costs.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

10

% Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

We have engaged with select customers regarding carbon footprint of our petfood ingredients to determine interest in low-carbon footprint ingredients.

Impact of engagement, including measures of success

We have planted the seed and started customers thinking about this aspect of their finished product and how our low carbon footprint ingredients play a significant role.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

Funding research organizations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

National Renderers Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

As Congress continues to consider the implementation of a national cap and trade scheme, the rendering industry should be considered a viable source of emission offsets. Allowing the rendering industry to participate would create financial incentives for farmers and ranchers to properly dispose of dead animals while avoiding additional greenhouse gases, reducing concerns over the spread of disease and freeing up limited landfill space. Also, discriminating against products already recycled through rendering as "not new," but recognizing protocols for placing fallen animals in anaerobic digesters or in landfills to trap and burn off the methane produced as "new" would put rendering at a competitive disadvantage and drive these organic materials to a much less productive and environmentally advantageous end. The result would be awarding offsets for shifting carbon from recycling to disposal with no net reduction (and a probable increase) in greenhouse gas emissions.

How have you influenced, or are you attempting to influence their position?

Yes we support the position of the NRA.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Any such activities, should they occur, are coordinated through our executive leadership team, and/or our Board of Directors, which ensure consistency with our overall climate change strategy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary communications

Status

Underway – this is our first year

Attach the document

Page/Section reference

Sustainability Factsheet pages 1-7

Content elements

Governance

Emissions figures

Other metrics

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director of Environmental Affairs and Sustainability	Environment/Sustainability manager

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below

I have read and accept the applicable Terms