



2022  
**SUSTAINABILITY  
PROGRESS REPORT**



# TABLE OF CONTENTS

## Introduction

Letter from the CEO | About Us | 2022 Highlights  
Sustainability Is Our Business | About This Report | Awards and Recognition  
ESG at Darling Ingredients | Double Materiality Assessment

## Environment

Oversight and Accountability | Environmental Management System  
Climate Change | Greenhouse Gas Emissions and Energy Use  
Green Energy | Waste | Water | Biodiversity and Land Use

## Social

Health and Safety | Employee Engagement  
Diversity, Equity and Inclusion | Community Engagement

## Governance

ESG Oversight | Business Ethics and Compliance | Product Quality and Safety  
Political Involvement | Responsible Sourcing | Human Rights  
Animal Welfare and Testing | Data Privacy and Cybersecurity

## Appendix

GRI | SASB | TCFD Index

03

11

21

27

36



*“Being a leader in the business of circularity for more than 140 years has taught us many lessons. The greatest of which is this: **the best way to protect nature is to act like nature.**”*

### Dear Stakeholders,

Having recently celebrated 20 years of serving as Chairman and Chief Executive Officer, I have been reflecting on our company’s journey. During that time, we’ve grown the business from 20 locations in the United States to more than 260 locations around the world. As a growing family of brands and businesses we are committed to continuing our strong focus on sustainability. Our unique size and scale allows us to enable entire industries to be less wasteful and more sustainable, and we continually seek out ways to maximize resources and help move the world toward a more circular economy.

In this report, you’ll read about our significant 2022 sustainability achievements, including meeting our 2025 goal for water intensity reduction three years ahead of schedule. I am incredibly proud of our organization for identifying and implementing opportunities to reduce water use quickly and kickstarting our journey toward sustainable water use across all operations.

Additionally, we met our renewable fuel production goal. Our Diamond Green Diesel (DGD) Port Arthur facility came online in November 2022, nine months ahead of schedule and under budget, increasing DGD’s total annual production capacity to more than 1.2 billion gallons of renewable diesel. We also announced a final investment decision in sustainable aviation fuel, which will bring our renewable fuel solutions to the aviation industry.

You’ll also read about our renewable energy production in Europe, where we provided our customers double the amount of renewable energy from the previous year, through both acquisition and development of new facilities.

Since May 2022, we have closed three key acquisitions that will continue to help grow our specialty ingredients business and also increase low-carbon feedstocks for our current renewable diesel production and soon-to-be sustainable aviation fuel production. Valley Proteins, FASA Group and Gelnex are all strong businesses that will enable us to increase the scale of Darling Ingredients’ sustainability impact in the coming years.

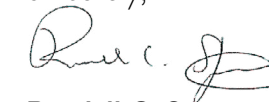
In 2022, we formally committed to the Science Based Targets initiative, recognizing the need to set climate goals that align with global ambitions to reduce emissions quickly. As part of this work, we conducted a full scope 3 assessment for the first time, details of which are outlined in this report, to help understand climate impacts throughout our value chain.

We also added new leadership in our sustainability department to help define our strategy, set targets and enable change in our global operations.

A successful sustainability program focuses on issues that are important to our various stakeholders, which is why we conducted our first-ever double materiality assessment, highlighted in this report.

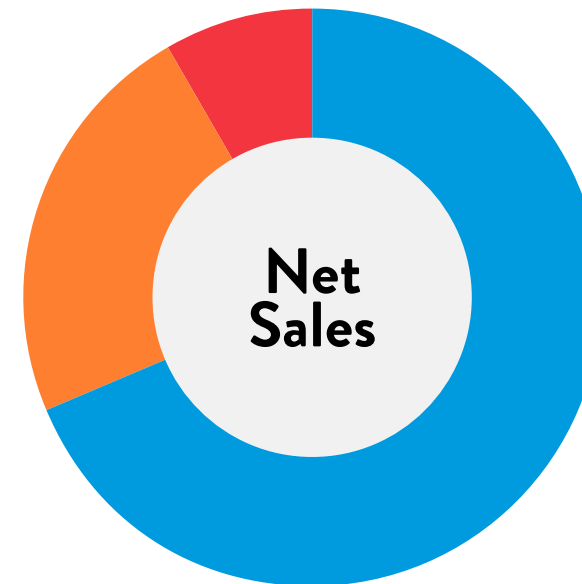
Being a leader in the business of circularity for more than 140 years has taught us many lessons. The greatest of which is this: the best way to protect nature is to act like nature.

Sincerely,



**Randall C. Stuewe**  
Chairman & CEO

## About Us



| Feed \$4.5B

| Food \$1.5B

| Fuel \$533M

## 2022 Highlights

**2022 was a year of strong sustainability progress for Darling Ingredients. We continued to advance our goals, demonstrating sustainability is core to who we are and what we do. In 2022, we:**

**Decreased** our global **water intensity by 20%**, achieving our 2025 goal **three years early**.

**Decreased global emissions intensity by 8%**, per unit of raw material processed, marking strong progress alongside business growth.

Opened a **new renewable diesel plant through Diamond Green Diesel**, our joint venture, to expand total annual production capacity to **1.2 billion gallons of renewable diesel**.

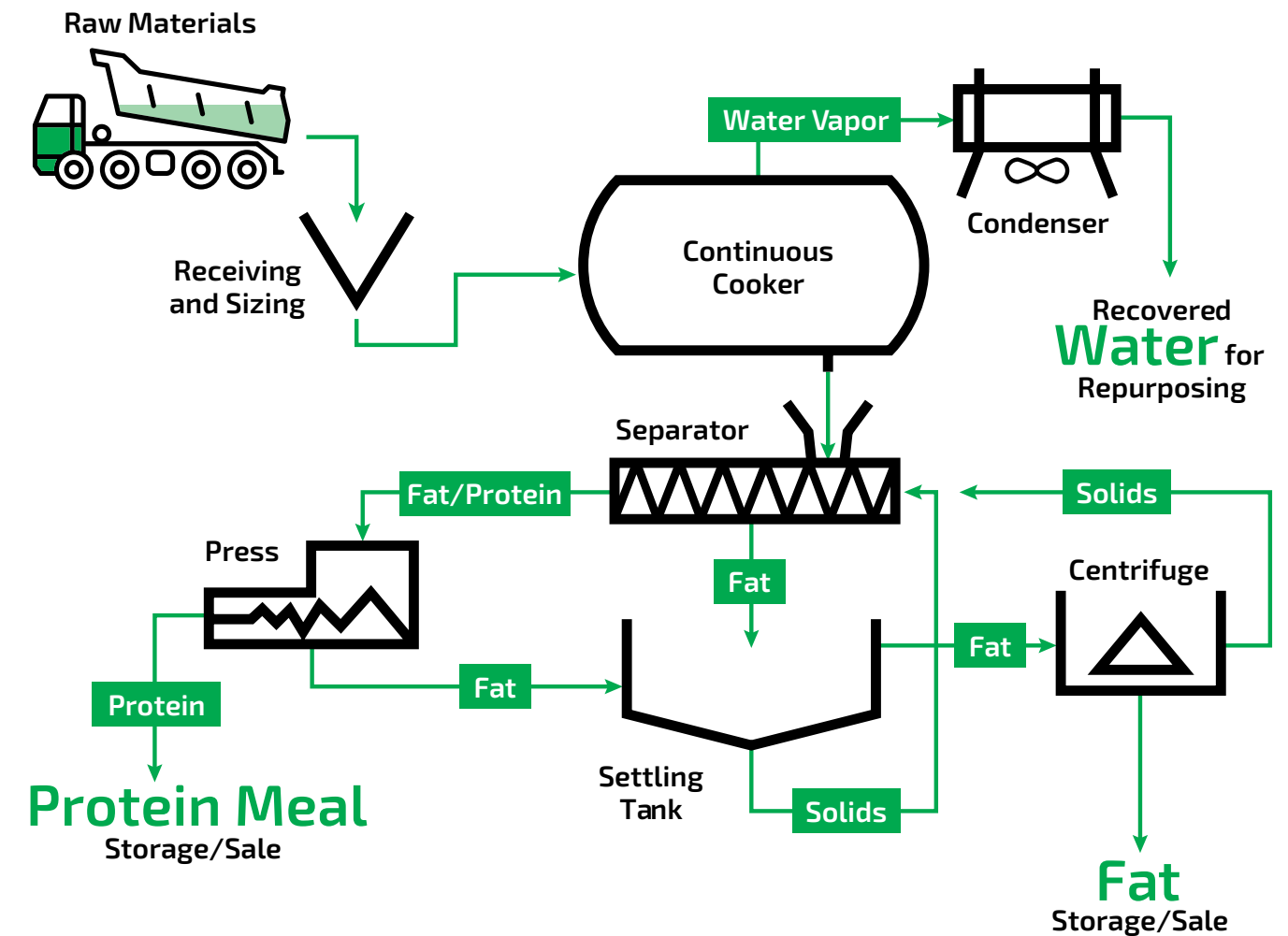
# Sustainability Is Our Business

**At Darling Ingredients, we transform the unused into the invaluable.**

Over the last 140 years, this company has become the most important platform for extracting the hidden potential of our world's resources and turning them into sustainable solutions for everyday life. We take what would typically be considered refuse and efficiently transform it into invaluable ingredients and in-demand products.

**In the meat production process, only about 50% of an animal makes it to a dinner plate. Keeping the other 50% out of landfills and incinerators requires innovative, sustainable solutions. Darling Ingredients creates those solutions, repurposing approximately 15% of the world's meat industry waste into value-added products, including essential products like green energy, renewable diesel, collagen, fertilizer, animal proteins and meals, and pet food ingredients. Our innovative services not only prevent waste from entering landfills but also reduce waste-related emissions around the world.**

## Our Rendering Process



## About This Report

Our 2022 Sustainability Progress Report describes our environmental, social and governance (ESG) programs, progress and performance, and demonstrates how, at Darling Ingredients, sustainability is central to the way we operate.

In this report, we disclose information in line with the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (UN SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD). This report includes information from our fiscal year, January 2 – December 31, 2022, unless otherwise noted.

We welcome your feedback on our Sustainability Progress Report, programs, policies and commitments. Comments can be sent to [communication@darlingii.com](mailto:communication@darlingii.com).



# Awards and Recognition

Listed among **America's Most Responsible Companies** by *Newsweek*

Recognized as an **ESG Industry Top Rated Company** by Sustainalytics

Ranked among the **100 Best ESG Companies** by *Investor's Business Daily*

**Winner of Innovation in Food and Beverage** for 2023 from *D Magazine*

Featured in the **50 Sustainability and Climate Leaders Campaign** in 2020, led by Bloomberg and TBD Media Group

Named a **TxN 20 Honoree** by Texan by Nature



## ESG at Darling Ingredients

At Darling Ingredients, ESG is a critical element of the way we do business. Our more than 150 product innovations speak for themselves. We are always looking for ways to maximize resources and move the world to a more circular economy. With our unique skillset and scale, we make industries less wasteful and more sustainable.

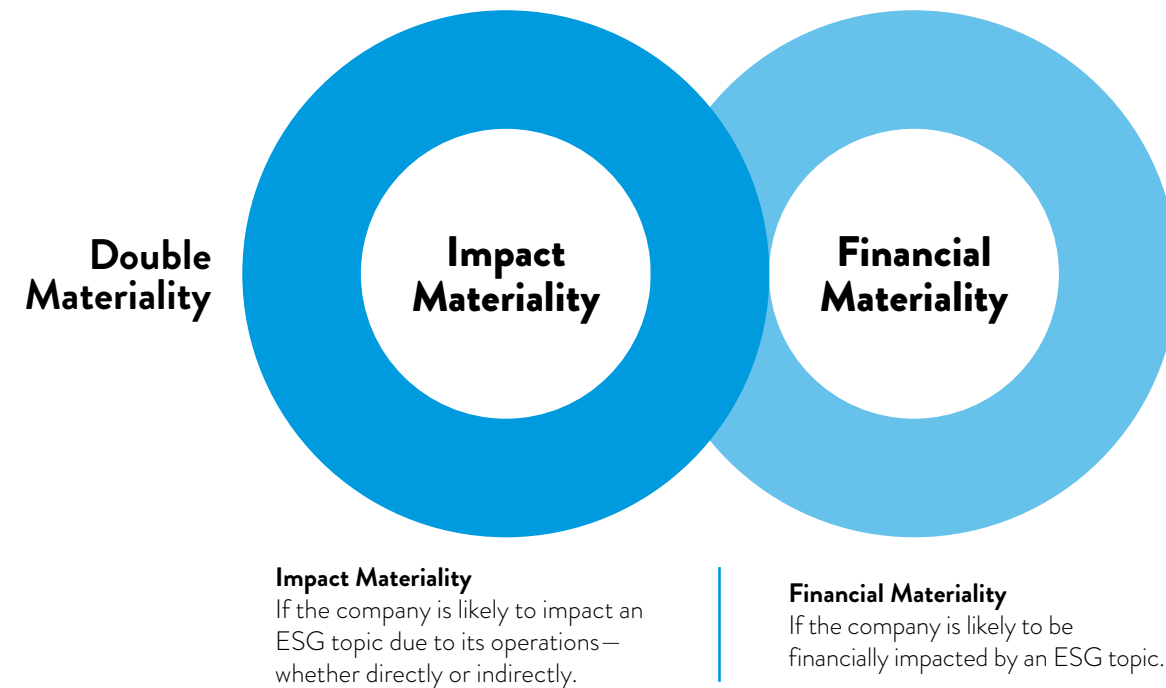
Oversight of our ESG strategy starts at the highest level of the organization, with our Board of Directors and the Board ESG Committee. This responsibility then filters from Executive Management to each and every Darling Ingredients employee across the globe—because it's the responsibility of every employee to deliver continued innovation and meaningful progress against our targets and commitments.





# Double Materiality Assessment

To inform and update our ESG strategy, we partnered with a third party to conduct a double materiality assessment. The assessment evaluated materiality across two dimensions: impact materiality, or the ESG topics that Darling Ingredients might impact, and financial materiality, or the ESG topics that might impact our business performance.



The assessment surveyed a range of stakeholders, including internal stakeholders (e.g., directors and employees) and stakeholders across our value chain (e.g., suppliers and customers). Integrating this feedback enhances the strength of our strategy and helps to identify, understand and manage related risks and opportunities.

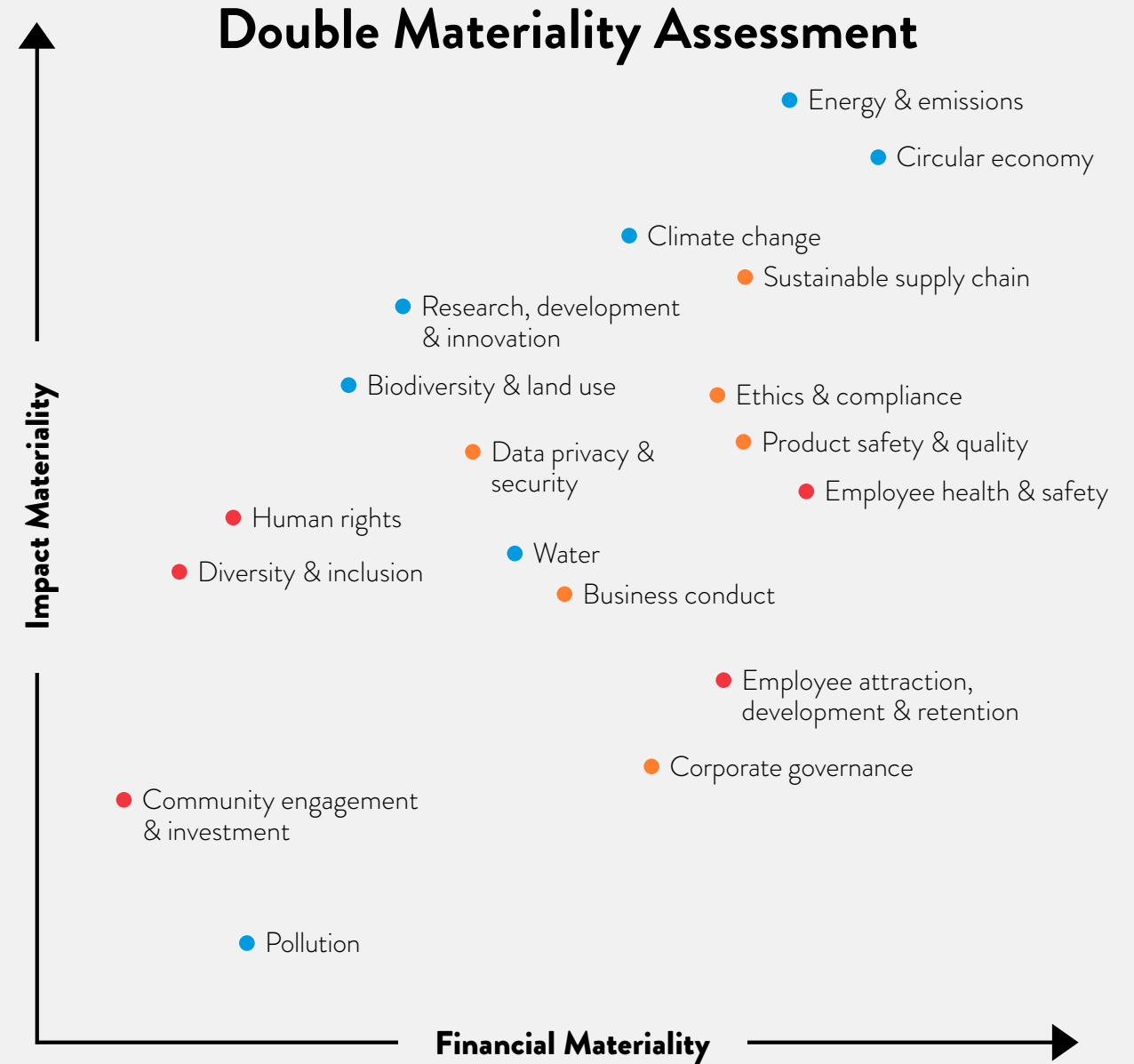


While our results clearly show we need to prioritize certain topics—energy and emissions, circular economy, climate change, sustainable supply chains, ethics and compliance, product safety and quality, and employee health and safety—we recognize that to promote sustainable business, we must also integrate relevant topics that are not as material into our ESG strategy. For example, though topics like human rights, pollution and diversity, equity and inclusion (DE&I) did not rise to the top of the matrix, they are nonetheless important topics that will remain a part of our strategy.

Sustainable supply chains became a significantly higher priority topic as compared to our 2021 materiality assessment. We recognize this is both a risk and an opportunity, and an area where we plan to more deeply engage with our suppliers to drive sustainability improvements across our supply chain.

These results inform our reporting and allow us to focus and expand upon our ESG policies, practices and goals.

- Environmental Topics
- Social Topics
- Governance Topics





**DARLING**  
INGREDIENTS

# ENVIRONMENT

# Environment

Sustainability is a core part of our business. Our innovative solutions salvage proteins, fats and other animal and food byproducts to produce critical products including food, feed and fuel. By repurposing resources that would otherwise go to waste, we create resource efficiencies, prevent waste-related emissions and reduce the amount of waste sent to landfills.

Though our business drives sustainable solutions through waste reduction and the production of sustainable goods, we also recognize the importance of reducing the environmental impact of our own operations. Our short- and long-term goals and commitments promote continued action and accountability.

## Environmental Goals and Commitments

Our company-wide goals hold us accountable for reducing our environmental impact. We are in the process of setting targets that are in line with the Science Based Targets initiative (SBTi).

GOAL	PROGRESS
<p><b>Emissions</b></p> <p>Achieve net zero GHG emissions by 2050.</p>	<p>On track; We completed our first full Scope 3 emissions inventory and are preparing to set science-based targets.</p>
<p><b>Energy</b></p> <p>Reduce energy consumption by 5% per unit processed by 2025, based on 2020 values.</p> <hr/> <p>Increase renewable fuel production by 150% from 2019-2022.</p>	<p>On track; Energy intensity increased due to acquisitions, and we are actively working to implement energy reduction initiatives in response.</p> <hr/> <p>Achieved; We met our goal of increasing renewable fuel production by 180% in 2022.</p>
<p><b>Water</b></p> <p>Withdraw 5% less water per unit processed by 2025, based on 2020 values.</p> <hr/> <p>Achieve sustainable water use by 2050.</p> <hr/> <p>Aim to achieve 100% water circularity and replenish more water than we withdraw in priority watersheds identified in our water risk assessment.</p>	<p>Achieved; Reduced water withdrawal by 20% per unit processed.</p> <hr/> <p>On track</p> <hr/> <p>On track</p>

In 2022, we hired our first full-time Director of Sustainability to further develop our ESG strategies, lead the goal setting process and continue to drive performance.

### Oversight and Accountability

Oversight of our environmental strategies begins with our full Board of Directors and the Board ESG Committee.

At the functional level, our multidisciplinary Global Sustainability Committee (GSC) sets ESG goals, provides quarterly updates to the Board ESG Committee and leads sustainability disclosure efforts, including the publication of our annual Sustainability Progress Report.

The GSC works with our global environmental affairs leadership team to monitor and disclose Environmental metrics, as well as manage our related policies and performance. This approach allows us to centrally oversee environmental performance, as well as manage our environmental impact on a site-by-site basis.

### Environmental Management System

We employ an Environmental Management System (EMS) to help fulfill our goals and commitments. Consisting of the policies, processes and commitments used across the company, our EMS allows us to systematically manage our footprint, as well as target opportunities for future improvement. The EMS is informed by ISO 14001 standards and complemented by Darling Ingredients' [Global Environment, Health & Safety \(EHS\) Policy](#), which outlines our commitment to limiting our environmental impact and providing a safe and healthy work environment.

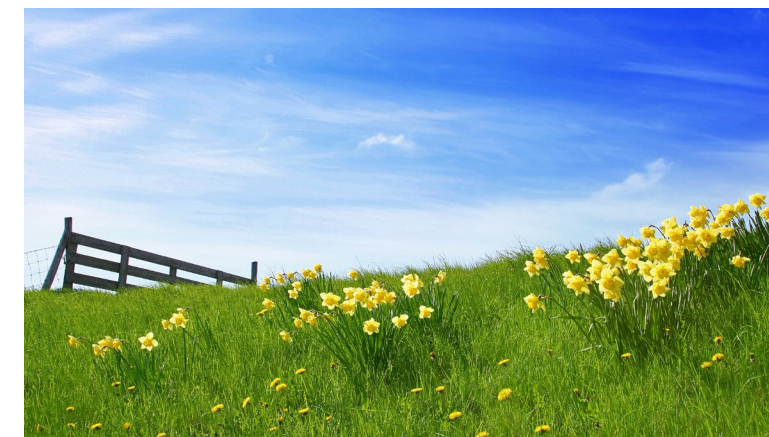
To make sure we adhere to the processes, policies and expectations defined by our EMS and Global EHS Policy, we regularly assess our compliance and performance through:

- Routine self-inspections conducted by individual facilities
- Periodic internal compliance visits
- Third-party compliance assessments, as needed

### Climate Change

We recognize the risks climate change poses to ecosystems, communities and economies. In line with the goals of the Paris Agreement, we are committed to reducing our Scope 1 and Scope 2 emissions and highlighting opportunities to decrease our carbon footprint.

Our business plays a critical role in repurposing waste—which in turn reduces emissions that would arise from decomposition—but we recognize we still have more work to do to reduce our carbon footprint. We started by setting a goal to be net zero by 2050 and are in the process of developing a roadmap, with interim targets to help achieve our goal.



### Roadmap to Net Zero

- Set science-based GHG emissions reduction targets for scopes 1, 2, and 3
- Validate our climate targets through the Science Based Targets initiative
- Optimize energy consumption
- Increase renewable energy consumption
- Identify opportunities to reduce supply chain emissions
- Evaluate carbon removal technologies
- Explore nature-based carbon capture solutions for unavoidable emissions

## Greenhouse Gas Emissions and Energy Use

Scope 1 emissions account for the majority of our operational emissions. As such, we focus on reducing energy use, the primary source of our Scope 1 emissions. Over the past few years, we invested significantly in energy efficiency projects, including replacing coal boilers with gas boilers and upgrading process equipment. We are pivoting our operational focus from energy reduction to emissions reduction, which will enable us to roadmap what actions are needed to meet our climate reduction targets.

We measure and disclose a comprehensive greenhouse gas inventory in line with the GHG Protocol's Operational Control approach. In past years, we disclosed only Scope 1 and Scope 2 emissions. For the first time in 2022, we are disclosing our full Scope 3 inventory. Most of our Scope 3 emissions data is spend-based, given the complexities of our global supply chain and the challenges we face in obtaining accurate data with our more than 80,000 unique suppliers. Despite these challenges, we believe it is important to report transparently and incorporate Scope 3 emissions into our overall climate strategy.

Emissions intensity is an important tool for understanding process efficiency. We disclose our emissions intensity in terms of metric tons of CO<sub>2</sub>e per metric ton of raw material. We believe this metric is most useful for understanding and contextualizing the actual intensity of our operations (versus per revenue), given our revenue can fluctuate based on various factors, including market prices for our finished products.

<sup>1</sup>Higher figures in 2022 are due to our acquisitions of Valley Proteins and FASA Group.

<sup>2</sup>Scope 1 emissions include CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and HFCs. We use emissions 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.

<sup>3</sup>Fleet emissions are included in rendering and specialties emissions intensity for calculation purposes.

<sup>4</sup>We did not perform a full Scope 3 inventory in 2020.

## Total Greenhouse Gas Emissions<sup>1</sup>

	2022	2021	2020
Scope 1 <sup>2</sup>	1,587,307	1,390,308	1,398,860
Scope 2 (Location-based)	374,003	326,062	351,768
Scope 3	20,752,016	18,642,322	329,916 <sup>4</sup>

## Emissions Intensity

	2022	2021	2020
Total Scope 1 and Scope 2 emissions intensity (t CO <sub>2</sub> e/MT raw material)	0.135	0.144	0.148
Total Scope 1 and Scope 2 emissions intensity/revenue (Total Scope 1 and Scope 2 emissions/\$ revenue (Millions USD))	0.30	0.36	0.49
Rendering and specialties emissions intensity (t CO <sub>2</sub> e/MT raw material) <sup>3</sup>	0.12	0.12	0.12
Collagen and gelatin GHG emissions intensity (t CO <sub>2</sub> e/MT production)	1.03	1.06	1.17

Greenhouse Gas Emissions	2022	2021	2020
<b>SCOPE 1 (t CO<sub>2</sub>e)</b>			
Stationary Fuel	1,448,253	1,253,270	1,259,962
Mobile Fuel	139,046	137,030	138,890
Fugitive Emissions	8	9	9
<b>Scope 1 Total</b>	<b>1,587,307</b>	<b>1,390,308</b>	<b>1,398,860</b>
<b>SCOPE 2 (t CO<sub>2</sub>e)</b>			
Scope 2 total (location-based)	374,003	326,062	351,768
Scope 2 total (market-based)	419,119	379,401	404,737
<b>SCOPE 3 (t CO<sub>2</sub>e)<sup>5</sup></b>			
Scope 3 category 1: purchased goods and services	17,315,139	15,506,446	-
Scope 3 category 2: capital goods	83,828	59,466	-
Scope 3 category 3: fuel- and energy-related activities (location-based)	363,852	386,873	318,523
Scope 3 category 4: upstream transportation and distribution	79,715	209,203	-
Scope 3 category 5: waste	13,373	29,075	-
Scope 3 category 6: business travel	3,157	846	8,839
Scope 3 category 7: employee commute/work from home	16,864	14,777	2,554
Scope 3 category 10: processing of sold products	2,858,588	2,423,136	-
Scope 3 category 15: investments	17,500	12,500	-

Energy Use	2022	2021	2020
<b>ENERGY CONSUMPTION (GJ)</b>			
Total direct energy consumed	32,433,563	25,233,938	25,129,779
Total indirect energy consumed	4,189,779 <sup>7</sup>	3,363,726	3,360,607
% Energy from grid electricity	11.1%	11.8%	11.8%
% Renewable energy	13.1%	5.0%	5.6%
Fleet fuel consumed	1,968,299	1,935,266	1,961,459
<b>ENERGY INTENSITY (GJ/100LB)</b>			
Rendering and specialties energy intensity per unit of raw material <sup>6</sup>	0.11	0.10	0.10
Collagen and gelatin energy intensity per unit of production	0.80	0.81	0.87

## INVESTING IN EFFICIENCY

**Our emissions intensity per metric ton of raw material decreased from 2021 to 2022. This represents strong progress and is a result of our continued focus on efficiency.**

<sup>5</sup>These numbers are largely based on spend and product/raw material volume data, combined with emission factors from Life Cycle Assessment databases. Categories 8, 9, 11, 12, 13 and 14 are not included as these were deemed immaterial.

<sup>6</sup>Fleet energy consumed are included in rendering and specialties energy intensity for calculation purposes.

<sup>7</sup>This figure now includes purchased steam.

## Green Energy

In 2022, we acquired Group Op de Beeck, a leading Belgian waste and industrial byproduct processing company. The acquisition allowed us to continue to grow sustainable energy production in Europe and progress our bio-digestion capabilities.

Also known as anaerobic digestion, bio-digestion is a process that converts food waste into sustainable energy. The process transforms waste from grocery stores, restaurants and slaughterhouses into either methane, which is then converted into electricity and heat, or material used in nutrient-rich fertilizer.

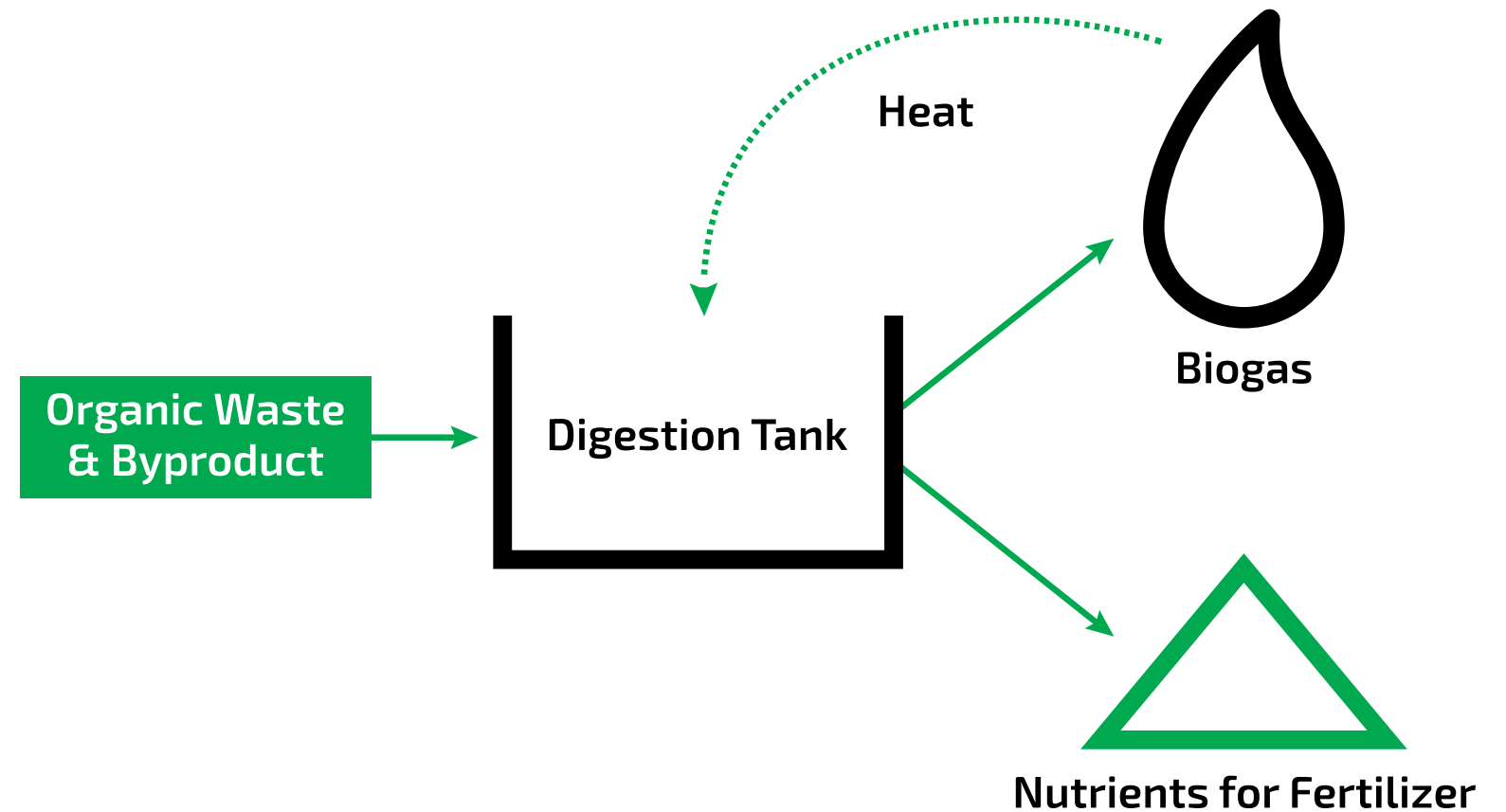
**We doubled our European renewable energy production in 2022.**

Darling Ingredients is the premier provider of sustainable feedstocks for renewable diesel. Through our business and through our joint venture, we process approximately 15% of the world's slaughtered animals and 50% of used cooking oil in the U.S., much of which is used to create low-carbon intensity renewable diesel, directly contributing to SDG 7.

7 AFFORDABLE AND CLEAN ENERGY



## Bio-digestion Process







## Diamond Green Diesel

In 2011, Darling Ingredients partnered with Valero Energy on a 50/50 joint venture—Diamond Green Diesel (DGD). Located in Norco, Louisiana, and Port Arthur, Texas, our partnership utilizes primarily waste fats and oils to produce renewable diesel. The renewable diesel produced at DGD is unique in that, unlike ethanol or biodiesel, it can be seamlessly integrated into pre-existing petroleum-based infrastructure and is easily transported by pipeline, rail or truck.

The transportation fuels produced at DGD are up to 80% less emissions intensive than traditional fossil fuels, with the added benefit of preventing used oils and fats from entering landfills. In 2022, DGD produced 780 million gallons of renewable diesel, the emissions reduction equivalent of taking 1.3 million cars off the road.

In late 2022, we opened our newest renewable diesel plant in Port Arthur, Texas, with a nameplate capacity of 470 million gallons per year. This expansion increased the total annual production capacity of DGD to approximately 1.2 billion gallons of renewable diesel, providing customers with a reliable and sustainable alternative to traditional fossil fuels.

In early 2023, we announced the final investment decision on a Sustainable Aviation Fuel (SAF) project at the Port Arthur plant. Targeted for completion in 2025, the project will allow approximately 50 percent of the plant's production to be upgraded to SAF, making DGD one of the largest SAF manufacturers in the world.

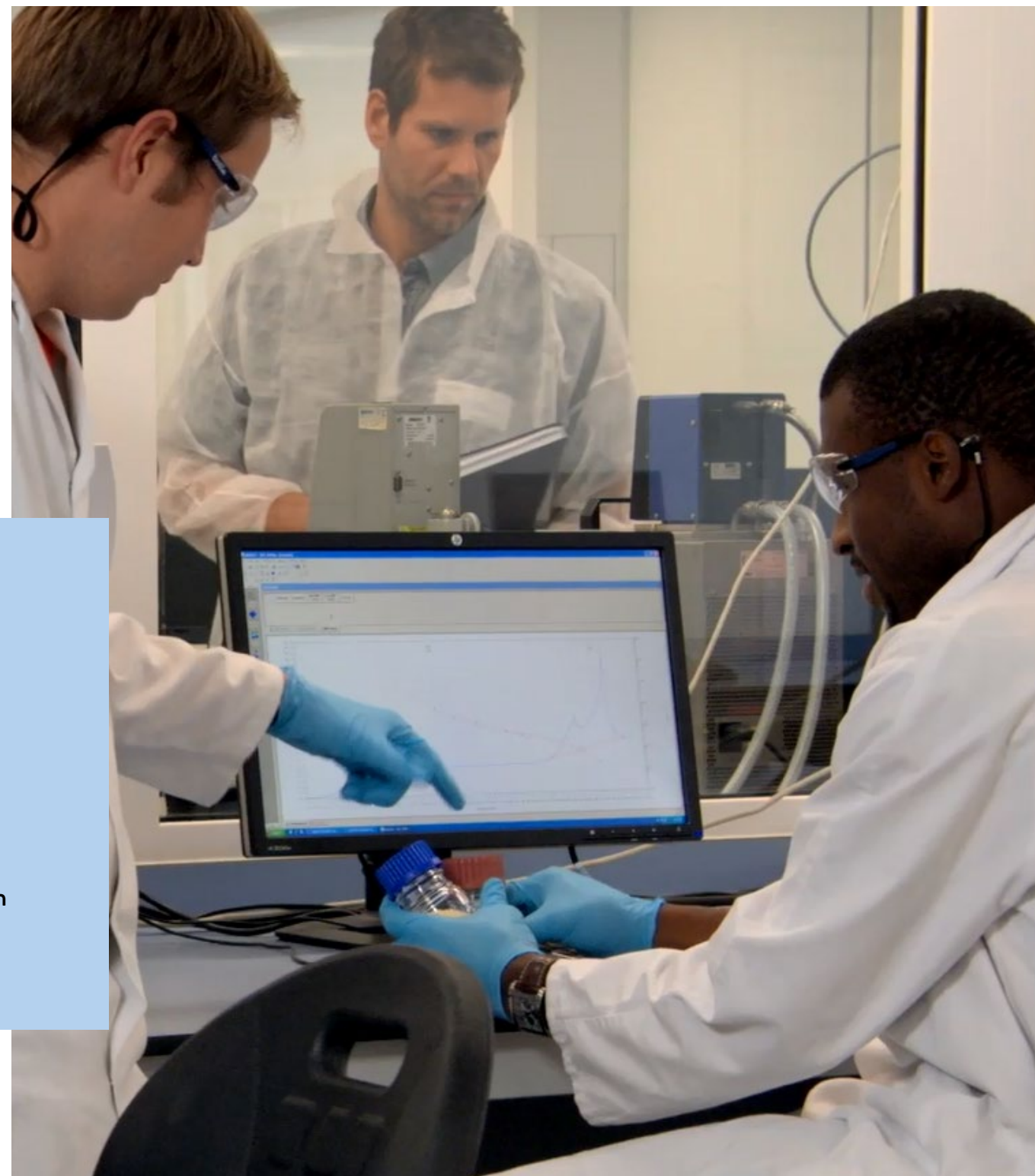
## Waste

We see waste as an opportunity. Our business takes what others see as waste and transforms it into value-added feed, food and fuel products, while reducing potential disease from the food chain.

Our facilities generate negligible amounts of waste that require disposal. When we do produce waste, it typically re-enters processing to be converted into something useful.

Given the negligible amounts of waste we generate and the fact that the majority of our finished products require no packaging, we neither collect nor monitor data related to waste disposal.

In 2022, Darling Ingredients processed **13.87 million metric tons of raw material**, making a direct impact on **SDG 12**.



## Investing in Innovation

We invest in research and development (R&D) to help us create new products, improve existing products and continue to grow and develop our portfolio.

In 2022, we opened a new R&D center for technical research on black soldier flies and their larvae as an alternative protein and fat. This new center allows us to develop innovative products with applications in animal feed, pet food and other related industries.

Other R&D efforts and facilities, such as our Sonac Product and Application Research Center in Vuren, Netherlands, further position us to lead the development of alternative proteins.

## Water

Water is a vital resource for healthy communities and ecosystems. We responsibly manage the water used and generated in our operations and are committed to monitoring and mitigating water risks.

### Reducing Water Use

Our facilities employ a variety of water recovery and reuse processes that help increase efficiency, including:

- High-pressure and low-flow wash systems
- Condensate recovery and return systems
- Treatment and use of effluents for cropland irrigation
- Capture evaporation from waste heat processes
- Creation of water conservation plans for operations in higher-risk areas
- System efficiency upgrades

Though these processes are critical for achieving our water goals, they differ based on facility function.

The collagen and gelatin production process requires withdrawing more water than we produce, whereas the rendering process actually results in net water gain.

### RENDERING

Our rendering process requires little water, while at the same time extracting significant amounts of water from raw materials during processing—resulting in net water gain. Much of the water generated during processing is treated and returned to the environment. In total, **roughly 50-60% of our raw material is made up of water.**

### COLLAGEN AND GELATIN

Our collagen and gelatin production processes differ significantly from that of rendering. During production, we use water to hydrolyze collagen. There is water in the raw material as well, and the **water from the raw material and the production process is treated and returned to the environment.**

We continue to target additional opportunities for improvement, using outside consultants to review plant-specific water reduction initiatives and conducting annual employee water conservation training to help empower employees to target water use reductions. In 2022, our global water intensity decreased by 20%. This progress means we achieved our 2025 goal three years early.

Water Metrics	2022	2021	2020
<b>WATER WITHDRAWAL (1000 M<sup>3</sup>)</b>			
Total water withdrawal – all sources	33,994	34,397	34,885
Total water purchased from third parties	6,860	5,401	5,247
Total fresh surface water	14,922	17,401	17,984
Total groundwater	12,213	11,595	11,654
<b>WATER INTENSITY (GALLONS/LB. OF RAW MATERIAL CONSUMED)</b>			
Global water intensity	0.28	0.35	0.35
Rendering and specialties water intensity	0.89	0.87	0.86
Collagen and gelatin water intensity	8.32	9.58	9.93
<b>WATER CONTRIBUTION<sup>8</sup> (1000 M<sup>3</sup>)</b>			
Total water contributed from Raw Materials	7,753	6,093	6,052
Total water contributed from rendering and specialties	7,460	5,809	5,780
Total water contributed from collagen and gelatin	293	284	272
<b>WATER DISCHARGED<sup>9</sup> (1000 M<sup>3</sup>)</b>			
Total water discharged	41,747	40,491	40,936
Rendering and specialties water discharged	17,876	14,101	13,885
Collagen and gelatin water discharged	23,621	26,180	26,791

<sup>8</sup>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.

<sup>9</sup>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.

## SDG 6: Clean Water and Sanitation

Darling Ingredients returns approximately **11 billion gallons** of water back to the environment each year. As a net water producer, we directly contribute to SDG 6, helping to increase water efficiency and return water to the environment.



### Water Risk

We monitor and assess water risk across our portfolio to understand existing risks, as well as areas where water scarcity or quality could become an issue in the future.

To identify our highest risk facilities, we utilize water accounting data and indicators from the Aqueduct Water Risk Atlas in combination with the Worldwide Fund for Nature's Water Risk Filter, Ecolab's Water Risk Monetizer and company technical knowledge.

Approximately 13% of our total water withdrawal occurs in water-stressed areas. Across our operations, and through a risk-based approach, we are working to **reduce water withdrawal and optimize water use.**

### Biodiversity and Land Use

We are committed to minimizing our impacts on ecosystems and promoting biodiversity near our operations. Given the majority of our footprint consists of processing facilities, our ability to meaningfully promote and protect biodiversity throughout the value chain is limited.

Our primary mechanism for delivering on this commitment is by incorporating biodiversity and ecosystem impacts into our environmental site assessment process—where we evaluate potential risks and create mitigation plans prior to establishing operations. Beyond our direct operations, we expect our suppliers to minimize their environmental impacts, including on ecosystems, biodiversity and natural resources, in compliance with local, state and national environmental protection laws, at a minimum.

For more information on our supplier expectations related to environmental impacts, please see our [Supplier Code of Conduct](#).



**SOCIAL**



# Social

At Darling Ingredients, people are our priority. We continually strive to create a work environment that is safe and engaging, as well as a culture that fosters diversity and encourages career growth and development. Outside of our workplace, we engage in partnerships in the areas where we live and work, giving time and resources to better the communities around us.

## Health and Safety

We aim to create a culture of safety that strives for zero accidents and prioritizes the wellbeing of all employees—whatever their role or location. Across our global footprint, we take action to help employees understand our safety standards and practices and deliver on their responsibility to create a safe work environment.

### Safety at Darling Ingredients

Our Global Environment, Health and Safety (EHS) Policy defines the standards we uphold to maintain a safe work environment. We expect all full- and part-time employees and contractors to adhere to the EHS policy at all times. All contractors are expected to meet or exceed our standards, as well as maintain their own rigorous safety procedures.

#### THREE TIERS OF SAFETY MANAGEMENT

In the U.S., our three-tiered system is structured like this:

**Corporate:** The corporate safety team develops processes and standards, and oversees their implementation at the regional and site levels. This team is led by our Vice President, Safety Management, who reports to our Executive Vice President and Chief Administrative Officer.

**Regional:** The regional safety team consists of regional safety managers (RSMs), each of whom works with a smaller group of sites to implement corporate safety initiatives and proactively address safety issues. RSMs are additionally responsible for completing bi-monthly site audits for each site for which they are responsible.

**Site:** Each of our facilities has an onsite safety coordinator. These individuals implement corporate safety policies and processes, complete monthly self-audits of site programs and processes, and work collaboratively with RSMs to improve safety performance.

## INCENTIVIZING SAFETY PERFORMANCE

**To emphasize the importance of maintaining a strong safety culture, we directly link safety performance to the variable compensation of operational employees at and above the managerial level.**

To help continually strengthen our safety culture, representatives from corporate, regional and site safety teams gather monthly to share best practices, discuss potential risks and learn new approaches and tactics to help keep our employees safe. These gatherings keep globally distributed safety team members connected and engaged.

The full Board of Directors receives updates on our safety performance at least four times per year at quarterly Board meetings.

#### SEVEN PILLARS: OUR HEALTH AND SAFETY STRATEGIC PLAN

Our health and safety strategic plan aims to drive safety improvements across the organization. Designed to help identify risks and prevent accidents, the plan focuses on these key pillars:

1. Communications
2. Metrics
3. Training
4. Policies, Procedures and Processes
5. Rewards and Recognition
6. Leadership
7. Fleet Safety

**Training**

Thorough, high-quality and frequent training equips our full- and part-time employees and contractors with critical safety knowledge. We conduct EHS training, during onboarding and regularly thereafter, based on regulatory requirements and in response to near misses or potential safety risks.

Our two-step, multi-functional training approach begins long before employees’ knowledge is put to the test in the field. All operations employees complete mandatory monthly online training. To help contextualize that training, they go into the field for hands-on safety demonstrations and to put knowledge to practice.

**CREATING A CULTURE OF SAFETY**

**To improve our safety performance, we incorporated a new “safety moment” feature during every company meeting in 2022. Whatever the stated purpose or agenda, all meetings at all locations now begin with a brief safety discussion to help employees understand that each of us play a critical part in creating a culture of safety.**

**Life Saving Rules**

Across our global operations, we have identified the most high-risk tasks our employees complete on a daily basis. Our safety program targets those tasks with eight Life Saving Rules (LSRs)—a set of easy-to-remember facts designed to prevent injuries and near misses while completing high-risk tasks.



**Metrics and Goals**

We recognize the need for further improvement in our safety performance and hold ourselves accountable with a TRIR target of 5.4. Over the coming years, we will continue our work to strengthen a culture of safety by implementing new safety programs and enhancing processes across our operations.

We measure and disclose five safety metrics: Total Recordable Injury Rate (TRIR), Lost Time Accident Rate (LTAR), Lost Day Rate (LDR), Fleet Rate (FR)<sup>10</sup> and Fatalities.

Despite the programs we have in place and our efforts to keep our employees safe, we tragically experienced four fatalities in 2022. This is four people that were not able to return home to their families. We are strongly committed to improving our safety programs, processes and culture to ensure all of our employees are able to go home just as well as they came to work.

	2022	2021	2020
TRIR <sup>11</sup>	5.5	5.5	5.3
LTAR	1.6	1.6	1.4
LDR	53	45	45
FR	0.11	0.09	0.06
Fatalities	4	1	4

<sup>10</sup>Fleet rate is measured as the number of accidents that occur on the road for every 100,000 miles driven.

<sup>11</sup>TRIR figures are for North America only.

## Employee Engagement

Our employees are essential for our success. Our goal is to support their success—both within the workplace and beyond. By providing equitable and competitive compensation, a robust benefits package and extensive learning and development opportunities, we empower our employees to develop and grow their careers and to care for themselves and their families.

### Learning and Development

Our breadth of training and development programs provide opportunities for all employees to build new skills and advance in their careers, wherever they may be on their professional journey. By helping employees achieve personal and professional goals, we promote retention and build a robust internal talent pipeline.

### Training and Continued Learning

We offer online and in-person training for employees throughout their career. This begins with onboarding training for all new employees on a variety of topics, from cybersecurity to business ethics. Further training is then customized to each employee's role, responsibilities and individual career aspirations.

To encourage ongoing leadership development and remove potential barriers to continuing education, we offer an educational assistance program for employees who wish to pursue a degree program or professional certification.

## DEVELOPING OUR LEADERS

We recognize the value of strong leadership skills to both individual and company performance. To enhance these skills within our management pipeline, we offer three key leadership programs for new and tenured managers:

1. Darling Leadership Academy
2. Darling Involve International for global leaders
3. Darling University

Combined with additional subject-specific training, these programs support skill building in the areas of communication, conflict resolution, decision making, inclusive leadership, performance management tactics and more.

**Global voluntary turnover was 18% in 2022. We aim to continue to drive down our turnover figures by introducing improved employee programs in the coming years.**

**To encourage job growth and career advancement for all employees, we announce job openings internally before advertising them externally.**



### Internship Programs

We offer internships and co-op programs for college students to provide on-the-job training for an emerging workforce. In 2023, we plan to formalize our internship programs to continue to build a strong talent pipeline.

### Performance Management

All corporate and manager level employees participate in our annual performance management process, which begins with goal setting. Employees create performance objectives to guide their contributions to the company's overall priorities, as well as personalized development plans to support their career aspirations. Employees and managers then hold regular performance check-ins over the course of the year and a formal performance review at year's end. Our year-end variable compensation (bonus) program rewards employee performance.



### Diversity, Equity and Inclusion

At Darling Ingredients, creating a diverse, equitable and inclusive work environment is critical to our success. As a global organization, promoting DE&I helps recruit and retain top talent. We are dedicated to making hiring, development and promotion decisions based on merit, rather than any other factor, and to creating a work environment that is free from discrimination and harassment. These commitments are outlined in our [Code of Conduct](#) and broadly communicated to our employees through onboarding, regular training and ongoing communication.

Our DE&I efforts are overseen by the Board ESG Committee and support a culture in which the perspectives of all employees are heard and valued. Still, we know we have more work to do to address DE&I at Darling Ingredients. We will continue to evaluate and implement new initiatives to advance our DE&I programs—whether introducing programs to equip individuals to recognize bias or creating employee resource groups.

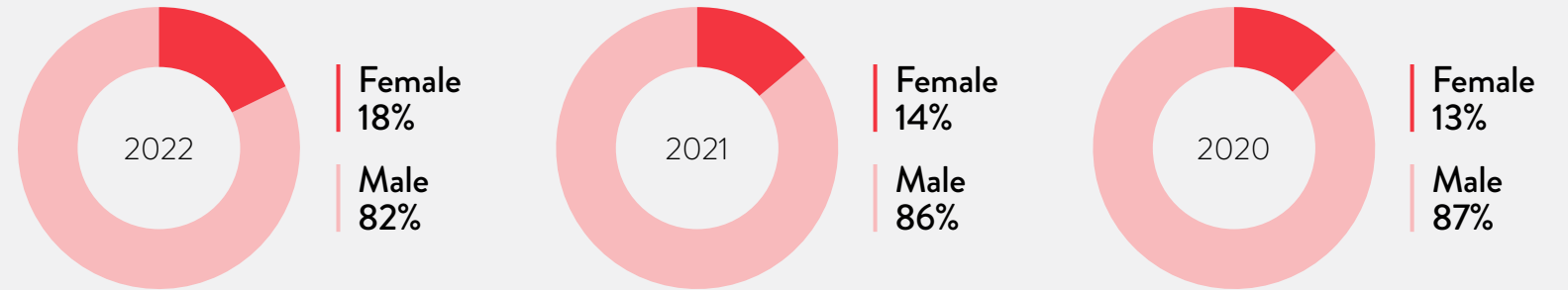
#### Recruiting Diverse Talent

Our goal is to recruit a range of talent that reflects the diversity of our communities. We promote diversity and inclusivity in our hiring practices by posting open jobs to diverse recruiting websites and conducting outreach to diverse groups near our operations. Our U.S. facilities work to recruit and retain a workforce that reflects the diversity of local communities.

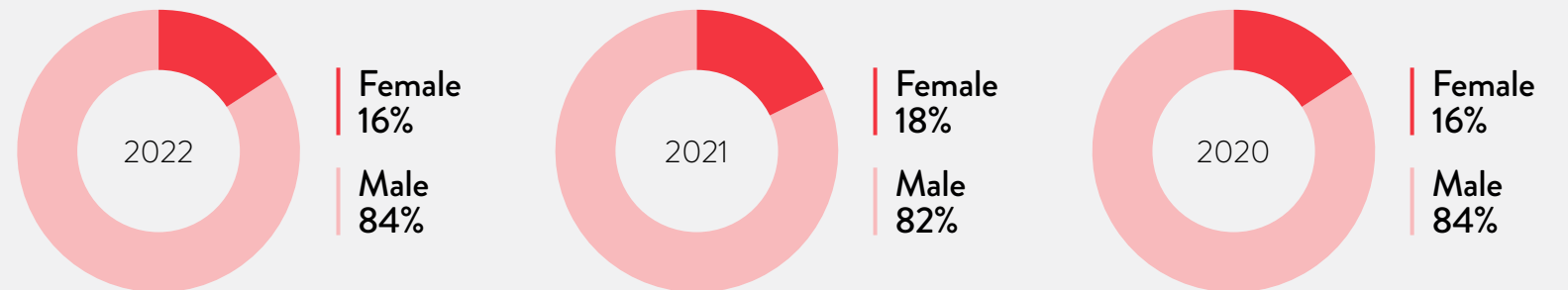
#### Metrics

As a global organization, we employ a diverse range of employees. Given data collection and privacy restrictions in other countries, the racial and ethnic diversity metrics we report are limited to U.S. employees only and thus provide only a partial view of the true diversity of our workforce. We provide information about global gender diversity and rely on voluntary self-reporting for all metrics. In 2022, we added more women at the senior management level. This is not reflected in percentages, as the number of total employees in senior management increased.

#### Gender: TOTAL WORKFORCE<sup>12</sup>



#### Gender: SENIOR MANAGEMENT



#### Race and Ethnicity (U.S. only)

	2022	2021	2020
American Indian or Alaska Native	1%	1%	1%
Asian	1%	2%	2%
Black or African American	21%	14%	13%
Hispanic or Latino	15%	17%	17%
Native Hawaiian or Other Pacific Islander	<1%	1%	1%
White	60%	65%	66%

**Diversity is important at all levels of Darling Ingredients—starting with the Board of Directors. Our Board is composed of 30% women and 20% racially/ethnically diverse Directors.**

<sup>12</sup>Gender data is U.S. only for 2020 and 2021, and global for 2022.



## Community Engagement

We act as true partners in our community, giving funds and time to support the areas where we live and work. All Darling Ingredients locations are empowered to get involved in their communities and give back through contributions, sponsorships and volunteerism.

### Future Farmers of America (FFA)

We partner with National FFA, a youth organization focused on preparing members for leadership, personal growth and career success through agriculture education, to fund scholarships and grants to deserving students. In 2022, we awarded 28 college students and high school seniors with scholarships to help them pursue degrees in FFA's Power, Structure and Technical Systems Pathway, which consists of technical careers in fields related to our core business. We support state FFA associations through convention exhibits and career day activities. Darling Ingredients locations are encouraged to support local chapters through grants, Blue Jacket programs, judging and student mentorship. Many of our employees are former FFA students and love the opportunity to connect with and inspire the next generation. Our support for 2022 National, State and Local FFA programs totaled more than \$225,000.

*“Want to refill your cup and be reminded the future of agriculture is bright? Spend some time with a group of Blue Jackets.”*

— Amy W.

Sales Support & Logistics Manager



**DARLING**  
INGREDIENTS

# GOVERNANCE

# Governance

Integrity, honesty and transparency are fundamental to the way we operate. We employ strong governance practices and maintain robust business ethics and compliance programs to uphold trust and deliver value to our stakeholders.

## ESG Oversight

### Board Oversight

Our commitment to sustainability starts at the highest level with our Board of Directors. Though our full Board receives frequent updates on ESG, the ESG Committee of the Board is primarily responsible for overseeing ESG strategy, programs and initiatives. The committee met three times during 2022.

### Management Oversight

At the management level, the CEO and Executive Management lead the development of our ESG strategy. The Global Sustainability Committee (GSC), a group of senior leaders led by the Senior Vice President of Investor Relations, Sustainability and Global Communications, is then responsible for setting goals in line with our strategic priorities. The GSC consists of cross-functional leaders from investor relations, human resources, environmental affairs, health and safety, community relations, product quality, engineering, regulatory affairs, information security and ethics and compliance.

To incentivize ESG progress, a portion of the variable compensation of our named executive officers, as appropriate, is tied to ESG performance.

## ESG Governance Structure

### Full Board

The full Board of Directors receives regular updates from the ESG Board Committee.

### ESG Board Committee

The ESG Board Committee is primarily responsible for overseeing Darling Ingredients' ESG strategy, as well as policies, programs and risks related to ESG. The ESG Board Committee receives updates from the Senior Vice President of Investor Relations, Sustainability and Global Communications during each of its scheduled meetings.

### Senior Vice President of Investor Relations, Sustainability and Global Communications

The Senior Vice President of Investor Relations, Sustainability and Global Communications leads the GSC and provides regular updates on the company's ESG programs and performance to the Chairman and CEO, ESG Board Committee and full Board frequently.

### Global Sustainability Committee (GSC)

Representing a cross-functional group of senior leaders, the GSC implements our ESG strategy at a functional level. The GSC meets at least quarterly.

## Business Ethics and Compliance

Our commitment to robust standards of ethics and compliance underscores all that we do and enables us to create value for all stakeholders. Our business ethics program—which includes anti-bribery and corruption—is overseen by the Audit Committee of the Board and managed by our Chief Compliance Officer. Our Code of Conduct defines the standards to which we hold all full- and part-time employees, officers and directors.

### Training

No matter role or location, all full- and part-time Darling Ingredients employees are required to complete Code of Conduct training as soon as they join the company and on an annual basis thereafter. Annual training is completed online and in our plants and covers a range of topics highlighted in our Code of Conduct, including anti-bribery and corruption, anti-money laundering, antitrust and competition, conflicts of interest and privacy, among other topics. Once completed, employees are required to take an exam to confirm they understand and will adhere to our standards.

In 2022, the company's Corporate Compliance Department rolled out more than **14,000 training courses** to our global workforce on a variety of ethics and compliance topics.

### Whistleblower Policy

Our open-door approach helps employees feel empowered to speak up in the event of a violation of our values or Code of Conduct. Employees can report concerns to their supervisors, our human resources department, the company's Chief Compliance Officer or through our anonymous, third-party managed whistleblower hotline, available 24/7. As outlined in our Code of Conduct, we have zero tolerance for retaliation for reports made in good faith or for providing information for investigations.

Our confidential, independently managed Speak Up Line allows stakeholders to report concerns any time, any day, in a variety of languages. The Speak Up Line is available by web or phone.

We proactively communicate details about reporting ethical concerns through annual Code of Conduct training, as well as by posting information on the company intranet and in high-traffic areas in our facilities.

### Investigating Ethical Concerns

When a suspected Code of Conduct violation is reported, the report is routed to our compliance team for investigation and escalated, as needed. The Company's Corporate Compliance Department tracks and reports allegations reported through our Speak Up Line to the Audit Committee of the Board.



### Policies

We maintain a number of ethics and ESG-related policies that hold us accountable. For an updated list of policies, please see our [website](#).

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

## Product Quality and Safety

Product quality and safety are paramount for delivering on our core values of integrity and transparency. We maintain corporate- and plant-level quality programs that adhere to the FDA's current good manufacturing practices (cGMPs) and represent behaviors, expectations and standards to which we hold ourselves. Every employee is responsible for operating with a quality mindset, and all employees are empowered to identify and implement initiatives that continue to drive high-quality standards.

### Training and Continuous Quality Improvement

We invest in resources and technology that help meet and exceed quality standards and provide stakeholders insight into our quality management processes and practices. Our continuous improvement programs include biannual training for all employees, regular policy and product reviews, product sampling and testing, and thorough reviews with suppliers and customers.

In 2022, we provided extensive training and compliance activities to promote high standards of product quality. These included:

- Preventive Control Qualified Individual certification (PCQI)
- Calibration of monitoring equipment
- Corrective and Preventive Actions
- Product Safety Assessments (HARPC/ HACCP)
- Regular product sampling, including chemical screenings, species identification and nutritional performance

Throughout Rousselot, our leading gelatin and collagen brand, our employees live our quality mindset on a daily basis. This includes training, identifying quality improvement projects and developing communications campaigns to continue to bring awareness to our quality mindset. In 2022, Rousselot hosted a Quality Mindset Day, complete with quizzes, games and other fun activities, to recognize and reiterate our commitment to quality.



### Quality and Safety Testing

All facilities undergo regular audits to evaluate adherence to standards and obtain third-party certifications. Audits are conducted by a variety of internal and external entities—including federal and state regulators, customers, our internal audit function, suppliers and third-party certification bodies—and evaluate our change controls, documentation, policies, practices and training programs. Each of our facilities is typically audited multiple times a year.

When issues or instances of non-conformance arise from customer complaints or audits, we systematically document and investigate the issue. Once investigations are complete, we enact countermeasures, as needed, and then communicate resolutions. Audit feedback is an essential component of ensuring we deliver on our commitments and meet or exceed product standards—whether for food, feed or other products.

### GFSI Certification

Darling Ingredients joined many other producers to improve food safety through the supply chain by adopting the Global Food Safety Initiative (GFSI) standards. GFSI certification addresses food and feed manufacturing, packaging, storage and distribution for producers, manufacturers and distributors. As a result, many of our facilities have achieved the following certifications or recertifications:

- Our facilities that produce ingredients for human consumption and application are certified to GFSI-recognized systems FSSC22000, IFS or BRC as required.
- U.S.-based Darling Ingredients locations are certified and audited to FSC36, the Safe Feed Safe Food Standard, with five rendering facilities, one protein refining facility and three wet pet food facilities achieving additional GFSI-benchmarked FSC32 certification.
- Locations outside of North America are audited to the GMP+ standard (or similar) to enable product use by European feed producers.

### Political Involvement

Our Code of Conduct outlines our standards for political engagement. While we encourage employees to contribute to society and get involved in the political process, we do not reimburse donations or loans given to candidates or political parties. Established in 2021, Darling Ingredients Inc. Political Action Committee (Dar PAC) allows the company to collectively support both republican and democratic U.S. Senate and U.S. Representative candidates for federal office who champion public policies and programs that are important to our company. In 2022, 36 board members and management team members contributed to Dar PAC.



### Auditing Product Quality and Safety

Consistent Application of quality and safety standards is ensured through regular facility audits. A mix of regulatory, supplier and internal audits are conducted at all global Darling Ingredients facilities. In 2022, we conducted:

- 121 customer audits
- 183 third-party certification audits
- 178 regulatory audits
- 500+ internal audits

## Responsible Sourcing

We build and maintain long-term relationships with suppliers that share our commitment to the highest ethical and operating standards. Our [Supplier Code of Conduct](#) outlines expectations we have for suppliers across a range of topics—from labor and human rights to animal welfare. The Supplier Code of Conduct is 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..

These principles and standards are also an important part of our supplier evaluation and selection process. Suppliers are expected to follow these principles and standards, including through communication to and practice by their employees.

‘Sustainable supply chains’ emerged as a highly material topic from both an impact and a financial materiality perspective in our most recent double materiality assessment. As such, we recognize we need to do more to integrate sustainability into our procurement process and drive existing suppliers to monitor and reduce their environmental and social impacts.

## Human Rights

We treat all individuals—whether employees, contractors, community members, suppliers or other stakeholders—with dignity and respect. In line with the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, our Board-approved [Human Rights Policy](#) details our commitment to upholding fundamental human rights across our supply chain. All employees receive information about our human rights commitments during annual Code of Conduct training.

As outlined in the Human Rights Policy, as well as in our Code of Conduct and Supplier Code of Conduct, we follow national, regional and local laws related to human rights and expect all those we work with to do the same. We encourage individuals to report actual or suspected human rights violations to their supervisors, our compliance department, human resources or through the Speak Up Line.

**We abide by all applicable regulatory requirements and expect our suppliers to do the same. We monitor our suppliers and subsequently remove suppliers that fail to meet our responsible sourcing criteria. We also require that all hides sourced from the Amazon Basin areas of Brazil come from supplier facilities that are gold-certified by the Leather Working Group (LWG), which actively works to eliminate supply chain deforestation and has committed to deforestation and conversion-free leather by 2030.**

### LOCAL PROCUREMENT AND EMPLOYMENT

**Across our locations, we aim to employ local individuals and support economies by procuring materials and supplies locally. This helps positively contribute to the communities where we operate.**

**~99%  
OF DARLING  
U.S. EMPLOYEES  
ARE LOCAL  
HIRES.**



## Animal Welfare and Testing

We process animal byproducts to create value-added products that are essential for life. Given our operational footprint, the vast majority of our facilities do not handle or interact with live animals, nor do they conduct animal testing.

While this limits our ability to directly impact or implement animal welfare practices in our own operations, we expect our suppliers and vendors to adhere to high standards of animal welfare and facilitate humane treatment. Our [Animal Welfare Policy](#) and our [Supplier Code of Conduct](#) detail the nature of our operations and the expectations we have for ourselves and our suppliers.

Rousselot, our leading gelatin and collagen brand, is the one portion of our business where animal testing is relevant. Rousselot produces biomedical gelatin and collagen, which are used to create a number of products that support human and public health. Uniquely, these gelatins and collagens allow for greater use of *in vitro* techniques—where gelatin mimics cells and reduces the need for whole animal testing. We are nonetheless committed to reducing animal testing and adhere to the principles of the 3Rs ethical framework, which aim to Replace, Reduce and Refine animal testing. Our Rousselot business maintains a more detailed [statement on animal testing](#).

In our operations, we do not handle live animals.

We maintain a number of memberships in Animal Health and Welfare Associations to support animal welfare more broadly. Our memberships include:



The Science Source for Food,  
Agricultural, and Environmental Issues



**Poultry Science  
Association**



**AMERICAN DAIRY  
SCIENCE ASSOCIATION®**

**AMERICAN SOCIETY OF  
ANIMAL SCIENCE**

## Data Privacy and Cybersecurity

Robust data privacy and cybersecurity programs are critical for safeguarding sensitive company and customer information, as well as maintaining the trust of our customers, partners and other key stakeholders.

### Oversight

Our cybersecurity efforts are managed by our Information and Cybersecurity Team and led by the company's Chief Information Officer (CIO). The CIO works with the Chief Administrative Officer to update the full Board of Directors on risks and vulnerabilities, information security system improvements, third-party cybersecurity assessments, emerging threats and more.

### Processes and Procedures

Our cybersecurity programs are aligned with third-party standards and best practices, including the National Institute of Standards and Technology (NIST) and ISO. We also maintain an incident response plan to ensure we are prepared for potential cybersecurity events or incidents. Our programs are regularly assessed by our internal IT Compliance Team, as well as third-party consultants, to ensure they meet or exceed best practices.

### Training

Every employee is responsible for keeping company information safe. We actively promote cybersecurity and data privacy awareness with employees, suppliers and customers through annual online cybersecurity training as well as regular phish testing and awareness campaigns. All employees are required to annually acknowledge Darling Ingredients' Information Security Policy for End Users.

### Data Privacy

We manage personal data provided by customers, suppliers and employees with the utmost care and adhere to a set of data privacy principles documented in our regularly updated [Privacy Policy](#). 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](mailto:privacy@darlingii.com) at [privacy@darlingii.com](mailto:privacy@darlingii.com).



This report covers Darling Ingredients and its joint ventures. Note that this report includes the acquisition of Group Op de Beeck, and partial information for Valley Proteins (May-December) and FASA Group (August-December), given acquisition close dates. Highlights and metrics shared in this report represent our 2022 fiscal year (FY) ending December 31, 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.

### **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 to 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 are not guarantees of future performance and that actual results may differ materially from anticipated results or expectations expressed in its forward-looking statements. This is 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](https://www.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.



# APPENDIX

# Appendix

<b>STATEMENT OF USE</b>	Darling Ingredients has reported the information cited in this GRI content index for our 2022 fiscal year (FY) ending December 31, 2022 with reference to the GRI Standards.
<b>GRI 1 USED</b>	GRI 1: Foundation 2021

<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	Darling Ingredients Inc. (NYSE:DAR)   Incorporated in Delaware 5601 N MacArthur Blvd, Irving, TX 75038  <a href="#">Form 10-K (pgs. 4-18)</a>
	2-2 Entities included in the organization's sustainability reporting	As of December 31, 2022, the Company operates a global network of over 260 locations, including 185 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.  <a href="#">Form 10-K (pg. 42)</a>
	2-3 Reporting period, frequency and contact point	Highlights and metrics shared in this report represent our 2022 fiscal year (FY) ending December 31, 2022.
	2-4 Restatements of information	No major changes: any adjustments are explained within the report.  Introduction - Who We Are.
	2-6 Activities, value chain and other business relationships	Introduction - What We Do.  <a href="#">Form 10-K (pgs. 4-18)</a>

GRI STANDARD	DISCLOSURE	LOCATION
	2-7 Employees	~15,000 full-time employees.  Governance.
	2-9 Governance structure and composition	<u><a href="#">2023 Proxy Statement (pgs. 8-15)</a></u>  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 the highest governance body	<u><a href="#">Nominating and Corporate Governance Committee Charter</a></u>  For a complete description of the company's corporate governance practices, please visit our Governance website.
<b>GRI 2: General Disclosures 2021</b> <i>(continued)</i>	2-11 Chair of the highest governance body	Please visit our Governance website under <u><a href="https://www.darlingii.com/leadership">https://www.darlingii.com/leadership</a></u> to learn more.
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance - Oversight of ESG.  <u><a href="#">2023 Proxy Statement (pgs. 8-14)</a></u>
	2-13 Delegation of responsibility for managing impacts	Governance - Oversight of ESG.  <u><a href="#">2023 Proxy Statement (pgs. 8-14)</a></u>
	2-14 Role of the highest governance body in sustainability reporting	Governance - Oversight of ESG.  <u><a href="#">2023 Proxy Statement (pgs. 8-14)</a></u>

GRI STANDARD	DISCLOSURE	LOCATION
	2-15 Conflicts of interest	<p>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.</p> <p><a href="#">2023 Proxy Statement (pgs. 14, 65)</a></p>
	2-16 Communication of critical concerns	Governance - Whistleblower Policy.
	2-17 Collective knowledge of the highest governance body	<a href="#">Environmental, Social and Governance Committee Charter</a>
<p><b>GRI 2: General Disclosures 2021</b> (continued)</p>	2-18 Evaluation of the performance of the highest governance body	<p>Each year, the members of the Board and each committee conduct a self-assessment and each of our directors 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.</p> <p><a href="#">2023 Proxy Statement (pgs. 8, 13-14)</a></p>
	2-19 Remuneration policies	<p><a href="#">2023 Proxy Statement (pgs. 25-62)</a></p> <p>For information on integration of ESG into executive compensation, see pg. 40 of the 2023 Proxy Statement.</p> <p><a href="#">2023 Proxy Statement (pg. 40)</a></p>

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2: General Disclosures 2021</b> <i>(continued)</i>	2-20 Process to determine remuneration	<a href="#">2023 Proxy Statement (pgs. 25-62)</a>
	2-21 Annual total compensation ratio	<a href="#">2023 Proxy Statement (pg. 58)</a>
	2-22 Statement on sustainable development strategy	Introduction.
	2-23 Policy commitments	Governance - Policies.
	2-26 Mechanisms for seeking advice and raising concerns	Governance - Business Ethics and Compliance - Whistleblower Policy.
	2-27 Compliance with laws and regulations	Risks Related to Legal and Regulatory Compliance from <a href="#">Form 10-K (pgs. 27-28)</a> .
	2-28 Membership associations	<a href="#">Form 10-K (pgs. 27-28)</a>
<b>GRI 3: Material Topics 2021</b>	2-28 Membership associations	Governance - Animal Welfare and Testing
	2-30 Collective bargaining agreements	Approximately 16% of North America employees are covered.
	2-30 Collective bargaining agreements	<a href="#">Form 10-K (pg. 42)</a>
<b>GRI 201: Economic Performance 2016</b>	3-1 Process to determine material topics	Introduction - Double Materiality Assessment.
	3-2 List of material topics	Introduction - Double Materiality Assessment.
	3-3 Management of material topics	Introduction - Double Materiality Assessment.
<b>GRI 201: Economic Performance 2016</b>	201-2 Financial implications and other risks and opportunities due to climate change	Appendix - TCFD Index.



GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Governance - Business Ethics and Compliance.
	205-2 Communication and training about anti-corruption policies and procedures	Governance - Business Ethics and Compliance - Training.
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Please see our most recent Form 10-K for information on legal proceedings. <a href="#">Form 10-K</a>
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Environment - Climate Change - Greenhouse Gas Emissions and Energy Use.
	302-2 Energy consumption outside of the organization	Environment - Climate Change - Greenhouse Gas Emissions and Energy Use.
	302-3 Energy intensity	Environment - Climate Change.
	302-4 Reduction of energy consumption	Environment - Climate Change - Greenhouse Gas Emissions and Energy Use.
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Environment - Water.
	303-2 Management of water discharge-related impacts	Environment - Water.
	303-3 Water withdrawal	Environment - Water.
	303-4 Water discharge	Environment - Water.

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Environment - Climate Change - Greenhouse Gas Emissions and Energy Use.
	305-2 Energy indirect (Scope 2) GHG emissions	Environment - Climate Change - Greenhouse Gas Emissions and Energy Use.
	305-3 Other indirect (Scope 3) GHG emissions	Environment - Climate Change - Greenhouse Gas Emissions and Energy Use.
	305-4 GHG emissions intensity	Environment - Climate Change - Greenhouse Gas Emissions and Energy Use.
	305-5 Reduction of GHG emissions	Environment - Climate Change.
<b>GRI 306: Waste 2020</b>	306-2 Management of significant waste-related impacts	Environment - Waste.
	306-4 Waste diverted from disposal	Environment - Waste.
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	<p>Governance - Responsible Sourcing.</p> <p>We expect our suppliers to recognize and respect all principles and standards detailed in our Supplier Code of Conduct, which includes environmental criteria.</p>

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Social - Employee Engagement - Benefits, Health and Wellness. <hr/> We do not 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	Social - Employee Engagement - Benefits, Health and Wellness. <hr/> Social - Employee Engagement - Benefits, Health and Wellness.
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Social - Health and Safety.
	403-2 Hazard identification, risk assessment, and incident investigation	Social - Health and Safety - Safety at Darling.
	403-4 Worker participation, consultation, and communication on occupational health and safety	Social - Health and Safety - Safety at Darling.
	403-5 Worker training on occupational health and safety	Social - Health and Safety - Training.
	403-6 Promotion of worker health	Social - Health and Safety.
	403-8 Workers covered by an occupational health and safety management system	Social - Health and Safety.
	403-9 Work-related injuries	Social- Health and Safety - Metrics and Goals.

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 404: Training and Education 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs	Social - Employee Engagement - Training and Continued Learning.
	404-3 Percentage of employees receiving regular performance and career development reviews	Social - Employee Engagement - Performance Management. Social - Employee Engagement - Performance Management.
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Social - Diversity, Equity and Inclusion - Metrics.
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Governance- Responsible Sourcing.
		We expect our suppliers to recognize and respect all principles and standards detailed in our Supplier Code of Conduct, which includes social criteria.
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	Governance - Political Involvement.
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Governance - Product Quality and Safety - Quality and Safety Testing.
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance - Data Privacy and Cybersecurity.

## SASB

### Agricultural Products – Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	CODE	RESPONSE/LOCATION
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Metric tons (t) CO <sub>2</sub> -e	FB-AG-110a.1	See Greenhouse Gas Emissions and Energy Use, page <a href="#">14</a> & <a href="#">15</a> .
	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	FB-AG-110a.2	See Greenhouse Gas Emissions and Energy Use, page <a href="#">14</a> & <a href="#">15</a> .
	Fleet fuel consumed, percentage renewable	Gigajoules (GJ), Percentage (%)	FB-AG-110a.3	See Energy Use, page 15. 0% renewable.
Energy Management	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), Percentage (%)	FB-AG-130a.1	See Greenhouse Gas Emissions and Energy Use, page <a href="#">14</a> & <a href="#">15</a> .
Water Management	(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 <sup>3</sup> ), Percentage (%)	FB-AG-140a.1	See Water, page <a href="#">19</a> .
	Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	FB-AG-140a.2	See Water Risk, page <a href="#">20</a> .
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Number	FB-AG-140a.3	Zero incidences of non-compliance in 2022.  In measuring the number of instances of noncompliance that resulted in formal enforcement actions, we look to the views of the SEC to define such numbers as 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 2022 Annual Report on Form 10-K.

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	CODE	RESPONSE/LOCATION
<b>Food Safety</b>	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Rate	FB-AG-250a.1	These metrics are not relevant to our overall business because only specific facilities require GFSI certifications. See pg. 31 for more information.
	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Percentage (%) by cost	FB-AG-250a.2	These metrics are not relevant to our overall business because only specific facilities require GFSI certifications. See pg. 31 for more information.
	(1) Number of recalls issued and (2) total amount of food product recalled	Number, Metric tons (t)	FB-AG-250a.3	These metrics are not relevant to our overall business because only specific facilities require GFSI certifications. See pg. 31 for more information.
<b>Workforce Health &amp; Safety</b>	(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	FB-AG-320a.1	See Health and Safety, page 22 & 23.
<b>Environmental &amp; Social Impacts of Ingredient Supply Chain</b>	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Percentage (%) by cost	FB-AG-430a.1	This metric is not relevant to our business; our agricultural outputs are negligible.
	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	FB-AG-430a.2	We expect our suppliers to recognize and respect all principles and standards detailed in our Supplier Code of Conduct and do not currently audit their conformance with our Code.
	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Discussion and Analysis	FB-AG-430a.3	This metric is not relevant to our business; we do not engage in contract growing and commodity sourcing.

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	CODE	RESPONSE/LOCATION
<b>GMO Management</b>	Discussion of strategies to manage the use of genetically modified organisms (GMOs)	Discussion and Analysis	FB-AG-430b.1	GMOs are not relevant nor material to our business.
<b>Ingredient Sourcing</b>	Identification of principal crops and description of risks and opportunities presented by climate change	Discussion and Analysis	FB-AG-440a.1	This metric is not relevant to our business; our agricultural outputs are negligible.
	Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	Percentage (%) by cost	FB-AG-440a.2	This metric is not relevant to our business; our agricultural outputs are negligible.

### Activity Metrics

ACTIVITY METRIC	CODE	RESPONSE/LOCATION
<b>Production by principal crop</b>	FB-AG-000.A	This metric is not relevant to our business; our agricultural outputs are negligible.
<b>Number of processing facilities</b>	FB-AG-000.B	We have 185 production facilities across 5 continents.
<b>Total land area under active production</b>	FB-AG-000.C	This metric is not relevant to our business; our agricultural outputs are negligible.
<b>Cost of agricultural products sourced externally</b>	FB-AG-000.D	This metric is not relevant to our business; our agricultural outputs are negligible.

## TCFD Index

### Governance

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.

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.

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.

Darling Ingredients' senior executives, in coordination with the ESG Board Committee and 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.

The GSC reports to the Board annually.

### Strategy

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.

Timeframe for evaluating risks and opportunities:

- Short: 0–5 years
- Medium: 5–10 years
- Long: 10–30 years

Darling Ingredients has developed a low-carbon transition plan to support the identification of climate-related opportunities and the mitigation of climate-related risks.

**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.

**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.

**Supply Chain:** Darling Ingredients will continue to work to develop a supply chain management program plan.

**Financial Planning:** The company's GSC performs qualitative risk analysis to assess scenarios that may impact Darling Ingredients' future financial position.

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.

### Risk Management

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 begins with the GSC and senior management and is performed annually for long-term risks. The company integrates climate-related risks into a multi-disciplinary company-wide 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 annually since 2020.



### Metrics and Targets

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. 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.

Darling Ingredients' Water Risk Assessment, conducted using WRI's Aqueduct tool, supports the company to actively measure and assess water scarcity risk. ~13% of the company's water withdrawals are from water scarce regions, reducing the overall risk of Darling Ingredients' operations.

**The company's environmental goals support the management of climate-related risks and opportunities.**

**Current goals include:**

#### EMISSIONS

Achieve net zero GHG emissions by 2050.

#### ENERGY

Reduce energy consumption by 5% per unit processed by 2025, based on 2020 values.

Increase renewable fuel production by 150% from 2019-2022.

#### WATER

Withdraw 5% less water per unit processed by 2025, based on 2020 values.

Achieve 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.



**CORPORATE  
HEADQUARTERS**

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